

**REGIONAL ECONOMIC DEVELOPMENT
SERVICES OFFICE FOR
EAST AND SOUTHERN AFRICA
(REDSO/ESA)**

RESULTS REVIEW AND RESOURCE REQUEST (R4)

MARCH 1997

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PART I. OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

The Development Context

The development framework in the East and Southern Africa (ESA) Region continues to evolve. This evolution and the resulting trends in the region discussed below will continue to provide REDSO/ESA with opportunities for achieving significant results within the time frame of our Management Contract.

Many of the countries in REDSO/ESA's portfolio are in some form of transition. As Eritrea, Ethiopia, Mozambique and Angola appear to be emerging from profound crises, others such as Somalia, Sudan and the nations of the Great Lakes, remain in the throes of conflict. Others are still at risk of entering into crisis, as the status quo may not be realistically sustained. Examples include Kenya, Djibouti and possibly Zambia.

Regionalism is taking on a greater level of significance in the ESA sub-region. Regionalism has manifested itself in a negative form, including the spillover of conflict from one country to its neighbors, as evidenced in the case of Sudan and the Great Lakes region. However, there are very positive trends in regionalism, and they are reflected in increasing efforts to organize regional blocs as the bases for political and economic cooperation. The Southern African Development Community (SADC) has been strengthened in response to the transition in South Africa, and the East African Community has been revived as the East African Cooperation (EAC). The Intergovernmental Committee on Development (IGAD) has been radically restructured and its mandate expanded. These developments signal a recognition by ESA countries of the benefits of regional cooperation for economic development and conflict resolution, with a clear and new commitment to African solutions to African problems.

The political frameworks in the ESA sub-regions have undergone a dramatic transformation as the struggle for a new political order moves to center stage. The demand for democracy, good governance and human rights is high on the agenda of both governments and a wide range of civil society organizations.

Economic progress in the region has been uneven. Ill-conceived economic policies have had a negative impact on the ESA countries. However, now most of these governments are struggling to identify the best policies to address their economic woes, and they are increasingly demanding that their relationship with the international community be defined by partnership. They are also demanding that the donor community look not only at changes required in these regions, but also at its own assumptions and practices. The new emphasis is increasingly on economic reform as defined and owned by Africa, and not conditioned by outside actors.

The evolving economic and political developments of the past year and the significant movement towards regionalism, combined with reductions in program and human resources for

implementation has provided REDSO/ESA with a tremendous opportunity to play a critical 'value-added' role in USAID achieving its objectives in the ESA sub-region.

REDSO/ESA's progress in achieving its Strategic Objectives (SO) is essentially on track and in many cases we are exceeding established targets. With that said, many of the Intermediate Results (IRs) will be revised over the next few months to better reflect the impact we are having and the results we are achieving in the ESA sub-region. There is a growing synergy among REDSO/ESA's Strategic Objectives. REDSO/ESA activities are becoming more integrated and the Greater Horn of African Initiative (GHAI) principles are increasingly being reflected throughout ESA. In partnership with ESA USAID Missions, all REDSO/ESA SO activity reflects extensive consultation with our African partners/customers, through canvassing USAID customers, stakeholders, partners and others [many involving meetings, conferences, seminars, workshops (or networking)] to determine issues/problems of highest priority in the sub-region, to set agendas and identify appropriate follow-up and approaches/solutions as the basis for possible SO interventions, thereby ensuring African ownership of the process. In all of these activities, we are collaborating and coordinating closely with USAID/W, other bilateral and multilateral donors, and with ESA regional institutions, thereby promoting strategic coordination in our approaches. By the very definition of our activities, REDSO/ESA's SOs are promoting regional approaches to regional problems. In addition, we are doing business differently in keeping with the Agency's reengineering thrust by focusing strongly on teamwork, partnerships, indigenous capacity building and sustainability.

A significant factor to understand is that REDSO/ESA's support role has evolved to embrace a regional value-added perspective. This broader perspective enhances the significance of services to ESA bilateral programs, directly addresses regional issues with regional solutions, assists the Regional Center for Southern Africa achieve its goals and objectives, and establishes a firm foundation for the attainment of GHAI goals.

Factors Affecting Performance

Strategic Objective #3: Establish a Strong Basis for Implementation of the Greater Horn of Africa Initiative (GHAI)

1) Despite the fact that significant resources have been invested in individual countries, many intra-regional difficulties in the Greater Horn of Africa (GHA) region have undermined the potential benefits of these investments. Although GHAI aggressively promotes the principles of regional approaches and strategic coordination for both regional and bilateral planning, few existing USAID country strategies effectively capture these principles.

2) The long-term GHAI goal of crisis prevention has been strongly reinforced by events in the region this past year. The abrupt return to Rwanda of hundreds of thousands of refugees constituted a major emergency for USAID/Rwanda and other donors, despite the fact that the situation in eastern Zaire was considered extremely volatile and likely to change. Absent a

strategic plan which addressed the possibility of a rapid influx of refugee returnees, USAID was once again caught unprepared.

3) The revitalization of the Intergovernmental Authority on Development (IGAD), for example, provided a framework for the accelerated achievement of results under SO #3. However, REDSO/ESA's inability to obtain adequate staffing on a timely basis because of the Agency hiring freeze affected our ability to move ahead as rapidly as we would have liked in responding to IGAD's progress. REDSO/ESA did not receive its USDH GHAI Coordinator until August 1996, very late in FY 1996, and after the beginning of the IGAD Revitalization process. In addition, while approval to hire four additional US and FSN PSC staff for SO #3 purposes was provided during the USAID/W review and finalization of the REDSO/ESA strategy in May 1995, authorization to start the procurement process for these individuals was not provided by USAID/W until August/September 1996, again, very late in FY 1996. These factors significantly influenced the timing and scope of REDSO/ESA's GHAI field implementation and coordination responsibilities.

4) IGAD's inability to secure staffing on a timely basis prevented the SO #3 team from conducting discussions with IGAD on finalizing the implementation process for Horn of Africa Support Project (HASP). HASP is the core of SO #3 activity and is, therefore, critical to achieving results under this SO. IGAD expects its staff to be fully in place by April 1, 1997.

Supporting Strategic Objective #1: Effective Program and Technical Support to All ESA Missions

5) Although we have been able to keep pace with the indicators of performance in the delivery of services under SSO #1, we were not able to be as responsive as we could have been because of the Agency's 'Belt tightening' efforts during FY 1996. REDSO/ESA was unable to hold its planning/scheduling exercise due to budget uncertainties and furlough's, thereby limiting REDSO/ESA's opportunity to efficiently schedule service provision and obtain customer/client feedback. Restrictions on travel caused cancellations and/or delays in TDYs, preventing staff from effectively providing virtually scheduled services. Reductions in USDH and PSC staff also reduced REDSO/ESA's ability to fully service clients' requests.

Strategic Objective #4: Effective Delivery of USAID's Humanitarian Assistance

6) OFDA and PL 480 Title II emergency resources are not normally budgeted in advance and have never been included in REDSO/ESA's budget. BHR is solely responsible for obligating and allocating all financial resources for providing humanitarian relief assistance. Accordingly, SO #4 results can only be accomplished and measured through joint activities with field Missions and BHR. BHR has yet to respond to our request made in the FY 1998 R4 for the re-delegation of authorities to the REDSO/ESA Director for two small pilot activities utilizing PL 480 Title II emergency resources and OFDA International Disaster Assistance funds to capitalize on our relief-to-development experience and first hand knowledge of the region and events in addressing unforeseen emergencies, and to permit more timely

responses. It should be noted that REDSO/ESA is not trying to supplant the role of BHR and field Missions, but strongly believes that some flexibility on BHR's part can make USAID's humanitarian assistance more effective and timely in addressing unforeseen emergencies. Up to now, REDSO/ESA has not been able to identify appropriate programmatic resource requirements and, thereby, prepare results packages.

7) There have been many significant constraints in the region which impact on REDSO/ESA's ability to provide effective humanitarian responses. REDSO/ESA has little control of these constraints. They include: 1) serious insecurity which limits access to crisis-hit areas; 2) variable weather conditions (drought/flood); 3) inefficient local transport systems; and 4) serious international donor budget constraints. In FY 1996, the most serious regional concerns involved: 1) heavier fighting in parts of Sudan, and increased tensions along the Sudanese border with Ethiopia, Eritrea, and Uganda; and 2) increased civil strife in northern Uganda.

PART II: PROGRESS TOWARD REDSO/ESA's STRATEGIC OBJECTIVES

A. Strategic Support Objective (SSO) #1: “Effective Technical And Program Support To ESA Missions”

Linkage To Agency Goals and GHAI

SSO #1 supports the President's Greater Horn of Africa Initiative (GHAI) by “**establishing a strong basis**” for implementation of the GHAI. The GHAI, with its twin goals of crisis prevention and food security, is by definition a cross-cutting program which supports Agency goals. Through REDSO/ESA's central pool of experienced officers and technical experts, SSO #1 seeks to change the way USAID and its partners do business by emphasizing and utilizing the five GHAI programming principles: African ownership; regional approaches; strategic coordination; linking relief and development; and, promoting stability through change.

Agency Goal #1: Broad-based Economic Growth Achieved

SSO1's private sector expertise is intricately involved with ESA government agencies and regional business organizations which are promoting regional trade integration; establishing trade information; liberalizing banking and financial transactions across the ESA region; and enhancing the role of the private sector in increasing food security.

Agency Goal #2: Stabilizing World Population and Protecting Human Health

REDSO/ESA health and population experts provided technical support in seven critical health program areas identified by USAID bilateral Missions, USAID/Washington offices, and African Ministry of Health partners. They are: 1) health financing; 2) integration of STI/HIV services into existing maternal and child health and family planning services (MCH/FP); 3) quality of health care; 4) logistics of pharmaceutical and family planning commodities; 5) post abortion

care; 6) capacity-building of the Central African Family Services regional center; and 7) adolescent reproductive health.

Agency Goal #3: Protecting the Environment

Through REDSO/ESA's environmental experts, SSO #1 identifies and prioritizes environmental and natural resources issues in the GHA and southern African region. These experts provide environmental assessment training to appropriate personnel at ESA Missions and insure that ESA Missions comply with the Agency's environmental regulations.

Agency Goal #4: Building Democracy

Technical expertise under SSO #1 are involved in the analysis and design of USAID Missions' conflict prevention and political dialogue activities supporting the building of D/G interventions throughout the ESA region.

Progress Towards The Strategic Support Objective (SSO) #1

SSO1 Indicator #1: Score on the customer satisfaction index stratified by planning, achieving and evaluating.

SSO1 Indicator #2: ESA Mission perception of the level to which REDSO/ESA has contributed to the fulfillment of their strategic objective.

During FY 96, SSO #1 made excellent progress in establishing meaningful, objective performance indicators, baselines and targets. These performance measures are critical management tools which are indispensable if REDSO/ESA is going to keep its staff composition responsive to client needs and ascertain what training needs its staff might acquire. Additionally, these indicators provide guidance on what technical and/or program skills may have become obsolete or, alternatively, need strengthening through staff training or recruitment.

REDSO/ESA conducted its first Customer Service Survey for the FY 96 service period. On a scale of "1 to 5", with **"1" being not significant and "5" as essential**, the ESA Missions rated REDSO/ESA's overall contribution to Missions' performance/functions and activities as:

REDSO/ESA CONTRIBUTION TO MISSION FUNCTIONS SCALE OF 1-5		
FUNCTION	ACTIVITY	SCORE
PLANNING:	PROJECT DESIGN STRATEGY ANALYSIS	3.4
ACHIEVING/IMPLEMENTATION:	LEGAL PROCUREMENT FINANCIAL	3.6
MONITORING & EVALUATION:	PROJECT EVAL. PMP DEVELOPMENT	3.0

Overall, 79.2% of the Missions rated REDSO/ESA's contribution was significant or higher, 18% thought it was essential and only 2.1% rated REDSO/ESA's contribution as not significant. The Tanzania and South Africa Missions rated the importance of REDSO/ESA's services to both their planning and achieving functions as essential.

The ESA Missions' perceptions of REDSO/ESA's contribution to achievement of their SOs ranged between significant and essential (average score of 3.9). Over 70% of the Missions rated the REDSO/ESA contribution as significant or higher while only 3% thought it was not significant.

REDSO/ESA continues to monitor Missions' resource needs. In the survey, almost all of the client posts requested some type of training from REDSO/ESA related to NMS and reengineering, which, unfortunately, could not always be supplied. SSO #1 proposes that an "Intermediate Result" (IR) be amended for the upcoming year to include "Training" as an offered service to its client posts. By providing additional high quality training in areas such as NMS, reengineering, accounting, financial management and computer software applications, REDSO/ESA will enhance its ability to be a Center of Excellence for the entire ESA region.

Progress Towards Intermediate Results

IR 1.1: Improved management of REDSO/ESA services to ESA Missions

REDSO/ESA's established quantitative measure for management of services is "service days performed" as a percentage of "service days scheduled." For FY 1996 the closest quantitative measure for IR 1.1 is "service days performed" as a percentage of "service days requested." In FY 1996, the results were:

Number of service days requested - **6,916**
Number of service days actually performed - **4,433**

Overall FY 1996 Gross Performance Score
(performed v. requested) - **64%**
REDSO/ESA Target Score (performed v. scheduled) - **70%**

The percentage of REDSO/ESA's service days achieved in some of its key skill areas were over the 70% targeted. In the key areas of accounting-financial management, and acquisitions-contracting the achievement was 93% and 71% respectively. In order to better appreciate the importance of the statistics, it is worth noting that the service areas listed above were provided to 17 Missions in the ESA region, involved over 10,000 payments, 150 contracting actions -- with a dollar value of over \$86.0 million. The legal services encompassed such accomplishments as multi-lateral donor agreements, trust agreements, and various Mission start-up and close-down issues. It should also be highlighted that REDSO/ESA staff is the life-line for small, severely understaffed Missions, like Eritrea, which are trying to implement new programs. REDSO/ESA personnel was also required to shoulder the management responsibility for politically important Burundi and Rwanda due to radical changes in the political environments in those countries. All of these activities were considered essential to our clients and that REDSO/ESA's performance in these areas, as noted above, was recognized as outstanding.

REDSO/ESA was able to meet 72% of the service requests in the area of food for peace and when one considers how turbulent FY 1996 was for the ESA region, this is clearly no small accomplishment. REDSO/ESA's Food for Peace Officers were actively involved Sudan, Somalia, Rwanda, Zaire, Uganda, and Burundi.

While the AIDS and Child Survival (54%) and Health and Population (64%) scores were under the 70% target, their accomplishments in FY 96, when judged by the magnitude of the problems in the region, clearly warrants highlighting:

The REDSO/ESA's Population and Health Division (PHD) Office staff, through SSO1 activities, has worked with 14 Missions during the past year. Staff members have participated in: the strategic design of 6 programs, development of 15 results packages, evaluation of 9 programs, the identification and development of 8 sets of indicators for assessing impact, the analysis and assessment of 9 special activity areas to guide mission investments, the development of 7 strategic frameworks, and 12 consultancies to work with Missions on program implementation issues. In addition, PHD conducted a regional analysis and design for a child survival program for RCSA.

An estimate of the value-added and/or cost savings to ESA Missions from taking advantage of regionally-honed REDSO/ESA assistance is in excess of \$10 million.

This estimate derives from being able to share, borrow, and adapt across borders, not only avoiding recreating and duplicating research and development costs, but avoiding “bad” programmatic ventures as well.

Managing for Results/Lessons Learned

SSO #1 felt the targets established within its results framework were reasonable and attainable. However, the overall below target performance can be attributed to the following circumstances:

- No planning/scheduling exercise was held in FY 1996 due to budget uncertainties and furloughs, thereby limiting REDSO/ESA's opportunity to systematically obtain customer/client TDY projections.
- Travel restrictions imposed by USAID/W.
- Our computerized tracking system does not capture work-for-other Missions performed by REDSO/ESA staff in Nairobi; which was considerable. Therefore, the service data reported understates REDSO/ESA's performance.
- Cancelled or delayed TDYs by our clients due to furloughs and their uncertainty regarding programmatic budgets cuts.
- Eventual reductions in REDSO/ESA's FTE, FSN and USPSC positions that reduced REDSO/ESA's ability to service ESA Missions.

If REDSO/ESA staffing levels remain stable and USAID 's program funds stay constant, REDSO/ESA expects to meet future targets under IR.1.1 within the results framework.

Results from Customer Survey

As mentioned under "Progress Towards Strategic Support Objective (SSO) #1", results from SSO1's customer survey were positive and, in fact, confirmed the need for REDSO/ESA to continue and expand technical and program support to ESA Missions.

Expected Progress Through FY 1999

REDSO/ESA's assessment of SSO1 concludes that demand for technical and program support to ESA Missions will continue. The targeted results established for the SSO will be fully achieved if our staffing levels are, at a minimum, maintained, or increased. To maintain and improve upon the complementarity accruing to client Missions, the following plan of action is anticipated through FY 1999:

While reviewing the 1996 REDSO/ESA customer survey it became evident that our client posts are not fully equipped to fulfill the requirements of their ongoing positions and still train others on NMS and reengineering concepts. Client posts are under pressure to show results in their SOs, to reengineer, and implement NMS at the same time. Many have requested REDSO/ESA's help in the training area. In response to this request, REDSO/ESA will procure the services of a consultant who will train selected REDSO/ESA staff so they can train others while on TDY and at REDSO/ESA headquarters. This will help meet the demand for training in the region. This consultant will not only conduct Training-of-Trainers (TOT) activities, but will monitor their performances, and will periodically monitor the achievements of Missions in various subject areas.

REDSO/ESA's Scheduling, Tracking, Analysis, Reporting System (STARS) is being upgraded. The purpose of the upgrade is as follows: 1) to capture results and efforts expended on an activity to reflect true efforts completed, whether on TDY or at REDSO/ESA ; 2) to capture information on a TDY activity. It will simplify and support many tedious administrative functions that are currently being done manually; and 3) to improve STARS as an administrative and a management tool whose utility is to simplify the scheduling of travel activities, capture travel efforts, and to link them to results. The new improved system will help REDSO/ESA better understand and adjust to ESA client needs by pinpointing where REDSO/ESA's technical and programmatic services are available, where they are being utilized, for what length of time, and for what purpose. An improved STARS will report REDSO/ESA's services data very accurately and will be a more efficient and effective management tool for managing resources.

Performance Data Tables SSO #1

OBJECTIVE: SSO #1 Effective Program and Technical Support to all ESA Missions APPROVED: 6/95 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: Intermediate Result 1.1 Improved Management of REDSO/ESA Services to ESA Missions.			
INDICATOR: Percent of REDSO/ESA planned service days and tasks achieved.			
UNIT OF MEASURE: Percentage SOURCE: TDY reports (STARS Data) INDICATOR DESCRIPTION: Number of actual service days provided by REDSO/ESA staff as a percent of the total agreed with Missions in the ESA region. COMMENTS: Agency financial constraints and instability affected REDSO/ESA's ability to plan and provide services and Missions' capacity to host REDSO/ESA staff. Furthermore, there was no "agreed" service days in FY 1996 because of the absence of the annual scheduling conference.	YEAR	PLANNED	ACTUAL
	1995	70%	67%
	1996	70%	64%
	1997	70%	
		80%	
	1999	80%	

RESULT NAME: Intermediate Result 1.2 High Level of REDSO/ESA Staff Skills Maintained			
INDICATOR: Percent of requested skills available at REDSO/ESA			
UNIT OF MEASURE: Percentage SOURCE: Staff records INDICATOR DESCRIPTION: Number of staff fully trained vs those in training status. COMMENTS: The Engineering services were available for part of the year.	YEAR	PLANNED	ACTUAL
	1995	100%	100%
	1996	100%	100%
	1997	100%	
	1998	100%	
	1999	100%	

RESULT NAME: Intermediate Result 1.3 REDSO/ESA Staff has improved knowledge and practice of reengineering and other agency priorities.			
INDICATOR: Percent of REDSO/ESA staff trained in basic reengineering concepts			
UNIT OF MEASURE: Percentage SOURCE: Staff survey INDICATOR DESCRIPTION: Percent of REDSO/ESA staff trained (professional staff in 1996 and support + new staff in 1997). COMMENTS: Both professional and support staff were all trained in 1996.	YEAR	PLANNED	ACTUAL
	1995		
	1996	100%	100%
	1997	100%	
	1998	100%	
	1999	100%	

B. Strategic Objective SO # 2: "Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region"

Linkage to Agency Goals

REDSO/ESA is engaged in the implementation of innovative activities which contributes to the achievement of USAID's overall goal of Broad Based Sustainable Development through solutions to issues which are cross-border and often cross-cutting. REDSO/ESA is strategically situated and uniquely positioned to provide added value to its provision of support services by taking on the responsibility and function of facilitating the sharing of information, models and technologies in the region. During this reporting period, SO #2 has supported a portfolio of transnational activities in Economic Growth, Population and Health, and Environment.

Agency Goal #1: Broad-based Economic Growth Achieved

REDSO/ESA's Regional Trade Activities link directly with USAID's goal of economic growth by strengthening African markets, improving policies, laws and regulations governing markets, and expanding access and opportunities to the poor. The future participation of African women in broad based economic growth was enhanced in FY 96 through REDSO/ESA support to the establishments of the All-African Businesswomens Association (AABA).

Agency Goal #2: Stabilizing World Population and Protecting Human Health

REDSO/ESA's Regional Health Networks (HN) support all four Agency Objectives and supports critical development areas identified by REDSO/ESA's partners in Washington and in the ESA bilateral Missions, ministries of health, the NGO community and the private sector.

Agency Goal #3: Protecting the Environment

The Regional Coastal Zone Demonstration Activity and the GHA Institutional Stakeholder Survey directly supports Agency Objectives 4.1-Biological diversity conserved and 4.5-Sustainable natural resource management.

Linkage to Development Initiatives

GHAI: The activities supported under SO #2 represent a change in the way USAID is responding to the development priorities of the ESA region. All activities involve African Partners who have participated in defining the SO #2 agenda; many of the activities are African-led and serve as an excellent example of cooperation among African technical experts dealing with issues on a regional level. The Regional Trade Activity, for example, supports the following GHAI programming principles: African ownership, regional approaches and strategic coordination which contributes directly to GHAI's food security objective. In the GHAI stakeholders survey, African technical experts will take the lead in identifying the principal regional environmental

and natural resources management issues related to food security and potential conflict in the Greater Horn of Africa region.

Progress Towards The Strategic Objective #2

SO #2 Indicator: Commitments in Critical Regional Development Areas by ESA Missions

This Strategic Objective represents a cross-cutting regional program focus in Economic Growth, Population and Health, and Environment. This R4 review will show that REDSO/ESA has achieved commendable results in all three areas. To facilitate the USAID/W review of similar SOs, the team has chosen to present its analysis according to the three Agency Goal areas. In addition to SO level reporting, three of the five IRs have been chosen to support the analysis and separate tables have been prepared.

B.1 Strategic Objective #2: Population and Health

Regional Networking is a development approach which is proving to be quite successful in REDSO/ESA. Development trends worldwide show the importance of viewing problems and opportunities from a wider, transnational perspective. The bilateral approach in many instances does not suffice in addressing problems such as the political turmoil which is affecting the Great Lakes region or HIV/AIDS which is a major regional pandemic. The Regional Networking approach is unique in that it involves a shift in the way: 1) Problems are viewed (Many development issues are shared. They are not unique to individual countries but cut across borders and administrative structures); 2) Solutions are sought and applied (Solutions to development problems are often common. The available technical solutions are normally not unique to individual countries.); and 3) USAID does business differently (It requires USAID to be more facilitating and supportive rather than directive). Networking necessitates USAID to work more closely with other donors, and to invest more intensively in African institutions in order to build indigenous capacity.

REDSO/ESA's Regional Health Networks (HN) currently focuses on seven critical health program areas identified by USAID bilateral Missions, USAID/Washington offices, African Ministry of Health partners, international, regional and local non-governmental organizations and cooperating agencies: **1) health financing; 2) integration of STD/HIV services into existing maternal and child health and family planning services (MCH/FP); 3) quality of health care; 4) logistics of pharmaceutical and family planning commodities; 5) postabortion care; 6) capacity building of the Center for African Family Studies (CAFS); and, 7) adolescent reproductive health.** These focal areas contribute directly to the Agency's four objectives under USAID Goal #3, and indirectly to USAID's Economic Growth and Humanitarian Assistance goals in the ESA region.

Health Networks (HN) add tremendous value to the Agency's investments in the region by ensuring that successful technologies and approaches are shared, borrowed, and adapted across

borders. The HN often prevents bilateral investments from becoming one country investments. HN expands success beyond borders and adds value to and complements USAID bilateral Mission programs. The process of sharing information on what is already working maximizes the impact of prior and current bilateral investments and saves on research and development costs in bilateral programs. REDSO/ESA is extremely proud of the accomplishments to date with Health Networks and believes this is a development process which can be replicated in other regions and other development sectors as well.

Health Networks are largely African-led, have an extensive array of partners in both the public and private sectors, and have truly pioneered the process of joint-planning and - programming with African partners, Missions, cooperating agencies, Agency Bureaus and other donors. This process is proving successful for both leveraging and focusing scarce resources on critical areas. In health financing, for example, HN established very active partnerships over the past year with 35% of the USAID Missions in ESA; 6 ministries of health; a regional training institution; a regional policy-making body representing 14 ESA countries; three private hospital systems - Kenya, Uganda, and Tanzania; and, two major donors (World Bank and WHO), culminating in the Agency's first Africa-wide joint-planning and programming initiative in health financing. To date, it is estimated that this initiative has leveraged four times the HN investment in health financing in the region.

The Health Network initiatives in Ethiopia and Uganda are excellent examples of where sharing critical information has positively impacted USAID investments. In Ethiopia, the bilateral Mission required that the implementation of the health finance strategy, developed in collaboration with HN, be a Condition Precedent for its \$30 million Non-Project Assistance to Ethiopia. In Uganda the Mission adapted the Kenya experience to redesign the health financing component of its \$18 million DISH Project, adapting and using the Kenya health facility cost-sharing manuals in its 10 districts which serve 1.6 million women and 559,000 children.

Progress Towards Intermediate Results: Population and Health Activities

IR2.2 Improved models and technologies for use in priority development areas

With HN assistance, the pre-payment health financing system used by the NGO hospital in Chogoria, Kenya was adapted by the Kisiizi Hospital in Uganda and is being piloted in three Lutheran hospital systems in Tanzania. The results of three case studies on integrating STI/HIV/MCH/FP services -- an NGO clinic system in Kenya and Uganda, and the Botswana government clinic system -- have led to an increase in the services being provided and the number of clients served.

IR2.4 Increased regional collaboration in addressing critical regional development issues

In direct response to REDSO/ESA/HN initiatives, the number of Missions and other stakeholders, who are collaborating in regional cross-border activities in population and health increased from 21 in 1995 to 56 in 1996, exceeding the target of 35. Under the quality of

services focus, HN has: 1) assembled senior government and NGO program managers from Eritrea, Somalia, Ethiopia, Uganda, Kenya, Tanzania, and Zambia to identify the interventions they will collectively pursue to improve quality of health services; 2) developed an initiative with Makerere University and Johns Hopkins University to institutionalize a series of courses on quality assurance for senior managers of health services; and, 3) based on HN presentations, the 14 ministers of health of the Commonwealth Regional Health Community have agreed to create a regional task force to work with REDSO/ESA/HN in defining practical cross-border activities to improve the quality of health services in their countries. There are approximately 36 million women and over 12 million children (under the age of five) in these countries that are potential beneficiaries from improvements in the quality of health services.

IR2.5 Strengthened human and institutional capacity to generate, analyze and use critical regional development information

In FY 1996, SO #2 strengthened the human and institutional capacity of 23 institutions in the ESA region. The following two examples are far along in the development stage. First, The Center for African Family Studies (CAFS - a sub-Saharan African family planning/reproductive health and technical assistance NGO) has, through USAID support, undertaken to become market-orientated and self-sustaining. Over the past year, CAFS restructured its staff, strengthened its internal management systems, and has begun to market its services. As a result, formal agreements for CAFS' services are being negotiated with UNFPA, The Rockefeller Foundation, and USAID cooperating agencies. During the past year, CAFS provided services and training to 7 organizations in 6 countries. In the next two years, it expects to serve at least 15 organizations. Second, HN is working with CAFS to develop the capacity of Makerere University to become a major and continuing regional resource for enhancing the quality of health services (see example under IR 2.4).

Managing for Results/Lessons Learned

The expected targets in the PHN sector were all exceeded due to the effectiveness of the process adopted for developing regional initiatives in the selected focus areas. It was not expected that the targets originally established would be exceeded to the extent they were. In fact, the targets set were seen as the maximum. Should the targets for 1998 be surpassed it may be necessary to increase them.

The feedback from customers has shown that there is a growing appreciation for the importance of Health Networks and the sharing of lessons learned across borders. All feedback indicates that the objective is on track and gaining strength. This process, which entails a series of steps leading from an assessment of a critical issue to the development of an integrated workplan with all partners has proved extremely successful. It is now serving as the model for development of regional initiatives in the other technical areas covered by REDSO/ESA. Over the last year there has been a dramatic increase in the number of TDYs related to Health Network activities which were made at the request of ESA Missions. There has also been a dramatic increase in the level of Mission participation and the participation of African partners in Health Network activities

focused on the sharing of best practices and lessons learned in the respective focus areas. Throughout the period, Health Networks has actively sought input from USAID Missions and African partners in all activities undertaken. This involvement, at every stage, is seen as probably the most important reason for the success of Health Networks and for it exceeding its targets.

The principal significance of what is being reported is that there is a growing need on the part of USAID Missions and African partners to share what they are doing, especially the best practices and lessons learned across the region in the priority areas. We are already seeing programs and aspects of successful programs being adapted across the region for minimal cost (e.g. cost-sharing schemes and managed health care programs). We are also seeing greater donor collaboration, cost sharing of activities and programs and increased interest in working more closely together to achieve common objectives. Not only is this joint approach to dealing with regional issues proving more cost effective but it also is leading to true integrated planning and budgeting both within USAID and with other donors and organizations.

To date, only informal customer surveys of those Mission representatives, African partners and donors who have participated in one or more of the Health Networks activities were done. Formal surveys are planned for the future.

Expected Progress Through FY 1999: Population and Health

The phenomenal acceptance and documented success of the Health Networks have resulted in a REDSO/ESA decision to combine HN activities under a new, longer-term umbrella results package (RP). It is important that there be a planned, sustainable mechanism that will provide continuity to the value-added regional initiatives in population and health represented in HN. It is anticipated that the RP will be fully developed in FY 1998 and initiated in FY 1999.

In the interim, activities within all seven focal areas will proceed with considerable vigor as REDSO/ESA develops the umbrella RP. Activities will include the following: 1) three new countries (eight in all) and decentralization will be included as a major health financing focus; 2) integration of STI/HIV into MCH/FP will provide regional assessments and guides in training and service delivery protocols; 3) quality of services will establish a certificate course at Makerere University in Quality Assurance Management and implement the sharing of best practices among twelve countries; 4) logistics will initially begin a sub-regional assessment and sharing program within five countries that will expand to eight by the end of FY 1999; 5) adolescent reproductive health, with regional and Washington partners, will support advocacy, training, research, and observation tours; 6) post abortion care will develop advocacy materials targeted at donors, governments and NGOs; and 7) CAFS will strengthen and expand its internal capacity and entrepreneurial efforts.

HN objectives will be accomplished within the original time frame contingent upon financial support for activities and staffing. Willing and able partners and stakeholders have been and continue to be very supportive. It is, however, important that a longer-term RP be put in place to

carry HN activities into the phase where they become an institutionalized part of the way USAID and its partners do business and add value to regional development efforts in population and health.

Performance Data Tables: Population and Health

OBJECTIVE: SO #2, Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region. APPROVED: 6/94 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: SO #2: Increased investment in critical development areas by Missions in the region.			
INDICATOR: Percentage increase of ESA Missions actively investing and participating in REDSO/ESA's critical regional development areas (areas identified and focused upon by HN).			
UNIT OF MEASURE: Percentage increase SOURCE: TDYs to Missions and participation in activities INDICATOR DESCRIPTION: Percentage of Missions actively investing in and participating in REDSO/ESA's critical regional development areas. COMMENTS: Presently the SO#2 indicator does not adequately reflect non-USAID investment and participation, of which there has been quite a bit. The SO#2 team is working to develop at least two indicators for the SO that more accurately reflect achievements.	YEAR	PLANNED	ACTUAL
	1994		
	1995		25%
	1996	30%	35%
	1997	40%	

OBJECTIVE: SO#2: Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region.			
APPROVED: 6/94 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: IR2: Improved Models and Technologies for use in Priority Development Areas			
INDICATOR: Number of Improved Models and Technologies.			
UNIT OF MEASURE: Number <hr/> SOURCE: TDYs, participating Missions, reports <hr/> INDICATOR DESCRIPTION: Missions/programs actively using models and technologies that have been shared/borrowed/adapted across borders. <hr/> COMMENTS: The SO#2 team is working to clarify the IRs and ensure they better reflect the team's intent and also clearly link to the SO. It is anticipated that restatements and improved IR indicators will be completed by mid -1997 calendar year.	YEAR	PLANNED	ACTUAL
	94	1	1
	95	3	4
	96	5	9
	97	12	

OBJECTIVE: SO#2: Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region			
APPROVED: 6/94 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: IR4: Increased Regional Collaboration in addressing critical regional development issues			
INDICATOR: Number of stakeholders collaborating in addressing critical regional development issues			
UNIT OF MEASURE: Number	YEAR	PLANNED	ACTUAL
SOURCE: TDYs, participating Missions, reports			
INDICATOR DESCRIPTION: Number of Missions and other stakeholders, who are collaborating in regional cross-border activities in addressing critical regional development issues. COMMENTS: The SO#2 team is working to clarify the IRs and ensure they better reflect the team's intent and also clearly link to the SO. It is anticipated that restatements and improved IR indicators will be completed mid-1997 calendar year.	94	12	14
	95	17	21
	96	35	56
	97	65	

OBJECTIVE: SO #2: Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region.

APPROVED: 6/94 **COUNTRY/ORGANIZATION:** REDSO/ESA

RESULT NAME: IR5: Strengthened human and institutional capacity to generate, analyze and use critical regional development information.

INDICATOR: Number of institutions with strengthened human and organizational capacity to generate, analyze and use critical regional development information.

UNIT OF MEASURE: Number

SOURCE: TDYs, participating Missions, reports

INDICATOR DESCRIPTION: Number of institutions with strengthened human and organizational capacity to generate, analyze and use critical regional development information.

COMMENTS: The SO#2 team is working to clarify the IRs and ensure they better reflect the team's intent and also clearly link to the SO. It is anticipated that restatements and improved IRs will be completed mid-1997 calendar year.

YEAR	PLANNED	ACTUAL
94	1	1
95	5	12
96	18	23
97	30	

B.2 Strategic Objective #2: Economic Growth and Support to GHAI

REDSO/ESA's programs in economic growth are demonstrating the negative impact of bad economic policies and procedures in some Africa countries while helping African decision-makers appreciate the importance of harmonizing liberalized policies. REDSO/ESA's Regional Trade Activities are a critical element of GHAI's food security objective. The trade activities are African-led and collaborators from the Greater Horn of Africa have been actively involved in identifying problems and solutions, and are leading the way in pushing for reforms. REDSO/ESA's success in implementing the regional trade activities could easily be measured through the excellent cooperation which is taking place among African technical experts dealing with issues on a regional level.

The successful launching of the All-Africa Businesswomen's Association (AABA) is another excellent example of a USAID program which supports cross-cutting objectives. AABA is also working to strengthen institutions that reinforce and support competitive markets, expand opportunities for women and facilitate innovative structures for disseminating business and trade information. **African ownership** is the guiding principle for both the Regional Trade Activities and AABA.

The economic growth activities have contributed significantly to the ability of SO #2 to achieve its objective. The Regional Trade Activities was initiated at the end of FY 1993 and consist of a series of activities addressing issues pertaining to ESA intra-regional transportation costs, cross-border trade policy and comparative advantage. This information is critical because: (1) trade liberalization is a high priority for all countries in the GHA and Southern Africa regions; (2) high transportation costs are widely considered to be a major constraint to increasing trade and economic growth; and (3) comparative advantage analysis is considered an essential factor in negotiating trade agreements, protocols, as well as, long-term investments in research and infrastructure. The Regional Trade Activities were developed in collaboration with host country colleagues, which included eight months of consultation in the field while working with USAID Missions in East and Southern Africa to meet host country government and private sector individuals.

The Regional Trade Activities made excellent progress in achieving its objectives during the past year. They focus on dissemination, implementation and utilization of policy reforms related to transportation costs and cross-border trade. **REDSO/ESA expected 75% of the USAID Missions to actively participate in the RTA, however, by mid-FY 97, 88% of the ESA Missions were actively involved.** Over 30 workshops, seminars and meetings were held where information was disseminated and discussed with key people in government and the private sector. This information is now being used by policy teams which are conducting further analysis and lobbying for reforms in transportation and trade policy. Through the utilization of this information by policy makers and the key public and private sector collaborators, this activity is contributing directly to reducing costs of transportation and costs associated with cross-boarder trade in the Greater Horn of Africa and Southern Africa sub-regions. This will

result in improving the welfare of individuals living in the two sub-regions by contributing to economic growth and increased food security.

During this reporting period, the Regional Trade Activities were evaluated by an outside consulting team. This team concluded that this analytical agenda represents an innovative approach to the entire process of applied research and policy analysis within USAID. The evaluation team commended the heavy reliance on Africans in research articulation, design, execution and dissemination of important methodologies as well as approaches developed for moving from “policy analysis to policy implementation”, which could produce millions of dollars in trade and transportation cost-savings.

Progress Towards Intermediate Results: Economic Growth

IR 2.2 Improved models and technologies for use in priority development areas

Through the Regional Trade Activities, *models have been developed for: comparing and ranking countries on their performance in the implementation of policy reforms under Structural Adjustment Programs; collecting data on informal cross-border trade; and, comparative advantage analysis based on agro-ecological zones.* The model on informal trade flows has provided USAID and other decision-makers in the region with a more complete picture on cross-border trade than has ever been before available. The comparative advantage model represents an innovative approach utilizing ecological zones rather than geographic boundaries to conduct analysis. It will be useful in developing regional and national food security strategies and in establishing infrastructure and research priorities.

IR 2.4 Increased regional collaboration in addressing critical regional development issues

One of the activities supported under the “regional trade analytical agenda” addresses transportation costs in East Africa covering Kenya, Uganda, Tanzania, Rwanda and Burundi. The initial study indicated that transportation costs in East Africa were exceptionally high and provided recommendations for reducing costs. The transportation study was followed by a symposium with 65 participants from East Africa which concluded with agreement on 26 recommendations which, if implemented would significantly reduce transportation costs in East Africa. The RTA helped establish the East African Transportation Initiative (EATI), which includes a committee of 16 East African technical resource persons who were participants in the symposium. The mandate of the EATI is to further refine and implement the symposium recommendations. The newly formed Secretariat for East African Cooperation (who’s mandate is to guide East Africa toward re-establishing the East Africa Common Market Area) appointed the EATI to serve as the pressure group for reforms in the transportation sector.

The Cost of Transportation, Cross-Border Trade, and Comparative Advantage Analysis activities also include collaboration with many other important regional institutions such as SADC,

COMESA, United Nations Center for Regional Development, Joint Economic/Agriculture Group of the Economic Commission for Africa, the East and Southern Africa Business Organization, (ESABO) and others.

SO #2 success in this IR is enhanced further through the REDSO/ESA-supported All-Africa Businesswomen's Association (AABA) wherein 25 stakeholders are collaborating in an effort to increase intra-Africa trade between and amongst AABA members. The number of collaborators is expected to increase to 300 by the end of 1998. Current AABA membership is drawn primarily from countries in the ESA region. Other membership in West Africa, provides AABA with the ability for enhanced regional collaboration and trade between businesswomen in the east, west and southern Africa regions.

IR 2.5: Strengthened human and institutional capacity to generate, analyze and use critical regional development information

The Regional Trade Activities have relied exclusively upon Africans and African Institutions in research design, articulation, execution and dissemination. To date, over 200 individuals and institutions have been involved in generating, analyzing and utilizing information from the Regional Trade Activities.

Through REDSO/ESA support, the human and institutional capacity of AABA and its members has been strengthened to generate, analyze and utilize information which will help them increase trade and expand their businesses. This institutional capacity-building effort is expected to expand considerably over the next two years. This will enable the AABA Trade Network to become operationalized and facilitate the dissemination of trade information critical to business development for women entrepreneurs in the region.

Managing For Results/Lessons Learned

Targets for economic growth activities were reasonable. Targets were exceeded because of the initial success of RTA's innovative approaches, not because the targets were too low. Customer feedback for both clients working with AABA and RTA were positive. This has encouraged REDSO/ESA to continue supporting these activities.

Expected Progress Through FY 1999: Economic Growth

REDSO/ESA proposes to build on the enormous successes already achieved in laying the foundation for change. For example, the research on regional trade and transportation already done, and the pressure groups energized, means that the Trade Activity can follow the suggestions of its recent evaluation and move more intensively into networking by "expanding dissemination of results and the implementation of policy reforms". The emphasis will be on conducting follow-up analysis on the costs and benefits of further trade liberalization and harmonization in collaboration with African stakeholders and to build implementation teams which will act as lobby groups for reforms. In addition, support is also being provided to further

implementation of recommendations from the cost of transportation activities in the Greater Horn of Africa.

AABA is already established and is generating funds from its members to support private companies. It will need limited assistance to link into regional and U.S. business networks (these networks are supported by G/EG/BD), and will need a small institutional grant to fully effect the successful accomplishments already achieved.

Performance Data Tables: Economic Growth

OBJECTIVE: SO #2: Increased Utilization of Critical Information by USAID and Other Decision Makers in the Region: Economic Growth APPROVED: 20/09/93 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: SO #2: Increased Utilization of Critical Information by USAID and Other Decision Makers in the Region: Regional Trade Analytical Activities			
INDICATOR: Percentage increase of ESA Missions actively investing and participating in REDSO/ESA's critical regional development areas.			
UNIT OF MEASURE: Percentage of ESA Missions (17) participating and or investing in the regional trade activities. SOURCE: Quarterly Reports from Program Implementors INDICATOR DESCRIPTION: Missions which are investing funds in the regional trade activities and/or facilitate activities that work in their countries. The latter includes providing country clearance, identifying contacts, etc. COMMENTS: Already by mid-FY 1997, 88% of the Missions in ESA are participating in the regional trade analytical agenda.	YEAR	PLANNED	ACTUAL
	1993		12%
	1994	25%	41%
	1995	45%	65%
	1996	65%	72%
	1998	75%	

OBJECTIVE: SO #2: Increased Utilization of Critical Information by USAID and Other Decision Makers in the Region: Economic Growth APPROVED: 20/09/93 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: Improved models and technologies for use in priority development areas: Regional Trade Activity			
INDICATOR: Number of new Models developed			
UNIT OF MEASURE: Number of models <hr/> SOURCE: Quarterly Reports from Program Implementors <hr/> INDICATOR DESCRIPTION: Number of models <hr/> COMMENTS: Regional Trade Activity has accomplished its target of creating 3 new models. AABA represents a 4th new model for this SO component.	YEAR	PLANNED	ACTUAL
	1993		0
	1994	1	1
	1995	6	7
	1996	3	4
	1998	9	

OBJECTIVE: SO #2: Increased Utilization of Critical Information by USAID and Other Decision Makers in the Region: Economic Growth APPROVED: 20/09/93 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: IR2.4: Increased regional collaboration in addressing critical regional development issues:Regional Trade and AABA			
INDICATOR: Number of stakeholders collaborating in intra-regional events			
UNIT OF MEASURE: Number of stakeholders SOURCE: Quarterly Reports from Program Implementors INDICATOR DESCRIPTION: Number of stakeholders participating in intra-regional events COMMENTS: The Regional Trade activity is on pace to exceed its target of 300 by 1998. Although AABA can to date only claim 25 stakeholders, a sound foundation has been established to achieve its target of 300 by 1998.	YEAR	PLANNED	ACTUAL
	1993		0
	1994	50	75
	1995	120	125
	1996	200	232
	1998	600	

OBJECTIVE: SO #2: Increased Utilization of Critical Information by USAID and Other Decision Makers in the Region: Economic Growth APPROVED: 20/09/93 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: IR2.5: Strengthened human and institutional capacity to generate, analyze and use critical regional development information: Regional Trade and AABA			
INDICATOR: Number of REDSO/ESA assisted African stakeholders generating, analyzing and using critical regional development information.			
UNIT OF MEASURE: Number of REDSO/ESA assisted African Stakeholders SOURCE: Quarterly Reports from Program Implementors INDICATOR DESCRIPTION: Number of African stakeholders participating in generating, analyzing and/or using information. COMMENTS: The Regional Trade Activity had included 402 African stakeholders by the end of 1996 out of a target of 600.	YEAR	PLANNED	ACTUAL
	1993		0
	1994	100	75
	1995	225	250
	1996	372	427
	1998	900	

B.3 Strategic Objective #2: Environment and Natural Resources

The Regional Coastal Zone Demonstration Activity (RCZDA) has developed models and trained personnel that will contribute to the sustainable management of coastal zone resources. This zone, which includes Zanzibar, Tanzania, and Kenya, harbors 24% of the region's population and is under intense pressure: Unsustainable practices such as dynamite fishing and waste disposal reduce biodiversity and threaten the zone's ecological and economic potential.

The GHA Institutional Stakeholder Survey, which was funded by REDSO/ESA, is designed to identify and prioritize environmental and natural resources issues in the GHA region that are linked to food insecurity and conflict. It is an important step in re-orienting the E/NRM portfolio to conform to reengineering and GHAI principles. The survey supports REDSO/ESA's SO #3, contributes to Agency's Goal 4: Environment managed for long-term sustainability; and its findings will help REDSO/ESA and the Africa Bureau determine what E/NRM issues are considered as priority by regional stakeholders. Even more important, the survey will involve African partners and stakeholders in shaping the nature of future involvement in environment and natural resources in the GHA region.

Since the University of Rhode Island's (URI) successful pilot activities in Kenya and Tanzania, USAID bilateral Missions in those countries are, or will shortly be, involved in coastal zone management activities. USAID/Kenya is supporting URI to assist the Kenya Wildlife Service to implement an integrated coastal zone management activity along the country's southern coast. USAID/Tanzania has decided to include integrated coastal zone management in its E/NRM portfolio. These two countries account for 1300 km of coast line along the Indian Ocean.

Progress Towards Intermediate Results: Environment and Natural Resources

IR 2.3 Enhanced dissemination of critical regional development information

Fifty participants from nine countries in the Western Indian Ocean Region, as well as experts from international organizations (UNEP, SIDA, World Bank) attended the REDSO/ESA sponsored Experts and Practitioners Workshop on Integrated Coastal Zone Management for Eastern Africa and the Island States held in Tanga, Tanzania in August 1996. It was the first-ever Coastal Management Workshop designed for experts and practitioners in the region. 250 copies of the Kenya Coastal Management Strategy and 150 copies of the Zanzibar Coastal Management Strategy have been disseminated within the region and globally. These were produced with the assistance of URI, and represent the first such strategy to be produced in the Eastern Africa Region.

IR 2.4 Increased regional collaboration in addressing critical regional development issues

The Second Inter-Ministerial Conference on Integrated Coastal Zone Management (ICZM) in Eastern Africa was held in the Seychelles in October 1996. Ministerial-level representation from ESA and Island States included Kenya, Tanzania, Madagascar, Eritrea, Mozambique, Seychelles, Reunion, Mauritius, Comoros and South Africa. The ministers adopted a statement in which they reconfirmed the importance of integrated coastal zone management to sustainable development, recognized progress to date, and committed high-level political support to ICZM. The recommendations from the REDSO/ESA-sponsored workshop in Tanga strongly shaped the final conference statement signed by the ministers in the Seychelles.

Managing For Results/Lessons Learned

CBNRM Lessons Learned Analysis -The work of the bilateral Missions on community based natural resources management (CBNRM) has produced a number of significant lessons. There is a need to provide a forum for the exchange of these lessons and increase their dissemination between countries. This activity would entail an analysis of lessons learned, followed by a stakeholders workshop. The proceedings would be published and the findings would assist USAID Missions in the design of future (CBNRM) activities.

As indicated at the outset, REDSO/ESA's E/NRM portfolio is being re-cast to reflect the priorities as perceived by stakeholders.

Expected Progress Through FY 1999: Environment and Natural Resources

Stakeholder Survey Follow-on is to identify priority issues in the GHA Region as viewed by regional stakeholders. While a follow-on is anticipated, the exact nature of the follow-on activities are unknown. However, the Stakeholder Survey will provide current, field based information regarding practical causal linkages and relationships between food security and environmental issues with the region. Through this process all the principle stakeholders who will determine these causal linkages, including key regional, national, and private institutions and individuals will be identified. A complete and forward looking results framework for the environment and natural resources activities will be developed at that time.

Performance Data Tables; Environment and Natural Resources Portion of SO #2

OBJECTIVE: SO #2, Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region. APPROVED: 6/94 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: SO #2: Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region;			
INDICATOR: Percentage increase of ESA Missions actively investing and participating in REDSO/ESA's critical regional development areas.			
UNIT OF MEASURE: Percentage of ESA Missions (16) participating and/or investing in integrated coastal zone management activities. SOURCE: Quarterly Reports from Program Implementors INDICATOR DESCRIPTION: Missions actively participating in activities and/or who have actually invested funds in an Integrated Coastal Zone Management Activity COMMENTS: Continuation of ICZM beyond 1997, hinges on demand by our customers. Mozambique's Minister for Environmental Coordination Ministry has approached REDSO/ESA for assistance in conducting a training course for Integrated Coastal Zone Management for practitioners from Portuguese speaking countries.	YEAR	PLANNED	ACTUAL
	96	6.2%	12.5%
	97	12.5%	

OBJECTIVE: SO #2, Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region. APPROVED: 6/94 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: Enhanced dissemination of critical regional development information.			
INDICATOR: Number of users receiving critical regional development information			
UNIT OF MEASURE: Users of critical information SOURCE: Annual report INDICATOR DESCRIPTION: Decision-makers and practitioners receiving critical coastal zone management information COMMENTS: Information dissemination was accomplished through a workshop (50 participants) and the reproduction and distribution of documents (400).	YEAR	PLANNED	ACTUAL
	94	0.00	0.00
	95	20	22
	96	400	450
	97	500	

OBJECTIVE: SO #2, Increased Utilization of Critical Information by USAID and Other Decision Makers in the Region. APPROVED: 6/94 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: Increased regional collaboration in addressing critical regional development issues.			
INDICATOR: Number of stakeholders collaborating in intra-regional events in REDSO/ESA priority regional development areas			
UNIT OF MEASURE: Number of High-level representatives (Ministers) <hr/> SOURCE: Conference documents and participation <hr/> INDICATOR DESCRIPTION: Ministers <hr/> COMMENTS: An inter-ministerial conference was held in Seychelles which culminated with a statement on Integrated Coastal Zone Management that was largely shaped by REDSO/ESA supported activities	YEAR	PLANNED	ACTUAL
	94	0.00	0.00
	95	4	4
	96	4	6
	97	6	

C. Strategic Objective #3 "Establish a Strong Basis for Implementation of the Greater Horn of Africa Initiative"

Linkage To Agency Goals

REDSO/ESA's SO #3 directly supports the President's Greater Horn of Africa Initiative (GHAI) by establishing a strong basis for implementation of the GHAI. The GHAI, with its twin goals of crisis prevention and food security, is by definition a cross-cutting program which supports all five Agency goals. The GHAI seeks to change the way USAID and its partners do business through the application of five programming principles: African ownership, regional approaches, strategic coordination, linking relief and development and promoting stability through change. Although all REDSO/ESA strategic objectives seek to incorporate these principles into their activities and thus link to all agency goals, SO #3 focused most specifically on the following:

Agency Goal #1: Broad-based Economic Growth Achieved

SO #3 provided substantial support to IGAD's revitalization efforts, thereby assisting this regional organization in its progress toward becoming a respected and influential regional organization developing regional economic policies and working with member states to implement them. SO #3 also supported a series of regional workshops bringing together, for the first time, host government policy makers, the private sector and NGOs to develop an Action Plan to eliminate policies and regulatory constraints to inter-country trade, resulting in numerous recommendations to substantially reduce transportation costs in East Africa. SO #3 also supported substantial technical assistance to a regional agricultural research network, ASARECA, in support of their efforts to develop a regional food security research agenda.

Agency Goal #3: Protecting the Environment

SO #3 supported a GHAI stakeholders survey, conducted by SO #2, and designed to identify principle regional environmental and natural resources management issues related to food security and conflicts in the Greater Horn of Africa region.

Agency Goal #4: Building Democracy

The revitalization of IGAD, the emergence of ESABO as a private sector partner in food security, the business community Partner Forum, all support the Agency goal of building democracies. In addition, REDSO/ESA provided technical assistance to the African Dialogue Center, an institution which has the potential of playing a critical role in the area of conflict prevention in the Great Lakes Region. SO #3 also supported capacity-building efforts, undertaken through several REDSO/ESA organized activities, such as the interagency conflict prevention and mitigation training in Nairobi, to support the strengthening of private and non-profit entities in the region.

Linkage to Development Initiatives

REDSO/ESA's SO #3 is directly supportive of a Presidential Initiative, one which is led by USAID and is one of USAID's highest priorities. Although the GHAI is not unique to the Africa Bureau, AFR has taken a leadership role in implementing the Initiative, thereby reflecting the priorities of both USAID and this Administration.

As the GHAI was conceived in direct response to the needs of all countries within the Greater Horn region, SO #3's support to the GHAI is clearly supportive of the needs of individual countries as well. SO #3 provides technical assistance and policy guidance to all Missions within the GHA region.

Perhaps SO #3's most significant result is the vastly improved quality of our development partnership with IGAD and other African institutions in the region. With its strong emphasis on African ownership, the GHAI is clearly determined to achieve the highest quality of partnership possible across the region.

The process of transforming the way in which USG assistance to this troubled region is provided, combined with an emphasis on a leadership role for our African partners, is a difficult and often frustrating endeavor, which will clearly not be achieved in the short-term. Nevertheless, SO #3 has seen significant progress to date, is proud of its accomplishments, and looks forward to capitalizing on the momentum now established in the region through "establishing a strong basis for implementation" of the GHAI.

Like the other REDSO/ESA SOs, the SO #3 Team will be modifying its IRs and indicators over the next few months to better reflect its accomplishments. The development of the GHAI strategy, which is currently underway, will facilitate this process.

Progress Toward The Strategic Objective #3

SO #3 Indicator: Number of institutions in the GHAI region working on GHAI established and/or strengthened with input from REDSO/ESA

In FY 1996, REDSO/ESA provided technical and financial assistance to nine African institutions (see Performance Data Table) in the GHAI region. All of these organizations support regional initiatives which enhance the principles of the GHAI and all received REDSO/ESA technical support to enhance their capacity to carry out their organizational mandates in the region. REDSO/ESA's success in helping to revitalize IGAD represents a noteworthy accomplishment for the GHAI region within a one year period and serves as an excellent example of USAID's ability to work collaboratively with African partners in addressing problems in one of the most crisis prone regions of the world.

SO #3 Indicator Target #1: Revitalized financial and management system affected at IGAD

The Heads of State of IGAD member states worked throughout 1995 and 1996 to establish the terms of reference for a new management system for IGAD. Their leadership in restructuring

what had become a defunct organization captured the attention and support of USAID and its collaborating donor partners in the region, resulting in IGAD's successful revitalization in less than two years. This has been accomplished in part through a series of SO #3-funded low-cost ministerial and expert level meetings which have yielded impressive results. Among the most significant - a major revision of IGAD's charter to include a system of majority-vote in lieu of consensus vote - which often stymied decision-making in the past; agreement by all but one member state to pay past dues; and adoption of a strategy which is fully congruent with GHAI's priority areas of food security and crisis prevention. IGAD is now recognized by the international community as a critical player in establishing regional development priorities for the Greater Horn of Africa.

REDSO/ESA's financial and technical support also facilitated the strengthening of IGAD's financial systems. IGAD is one of the principal implementing partners of SO #3's Horn of Africa Support Project (HASP), and with SO #3 assistance, IGAD has adopted an acceptable system of financial accountability. With continued technical assistance, IGAD will eventually participate in implementing a sub-grants program within the HASP, one which will fund regional activities implemented by Africans and be supportive of GHAI goals and programming principles..

SO #3 Indicator Target #2: A donor forum is formally constituted in GHA region

The premise of the GHAI is very ambitious: to change the way the U.S. Government operates in the region, as well as the way our partners operate. The IGAD Donor Forum, established in late FY 1996, is an excellent indicator that the GHAI agenda is moving forward. For the first time in the region, a core group of donors agreed to collaborate on how assistance in the region can be delivered in a regional context, focusing on an established set of objectives defined by African leadership. The Donor Forum, situated in Addis Ababa, includes representatives from Canada, the European Union, Germany, Italy, Japan, the Netherlands, and the United States. These donors also proposed to IGAD that a formal mechanism for collaboration be established, called the Joint IGAD Partnership Forum.

SO #3 Indicator Target #3: Two regional private sector organizations are strengthened to facilitate GHAI implementation

The role of the private sector in the GHA region will have to be enhanced if the GHAI goals of food security and crisis prevention are to be realized. REDSO/ESA's private sector partnerships in the region are being established with food security and trade as principal areas of focus. SO #3 supported a REDSO/ESA-sponsored private sector conference in May 1996, which was organized by the Eastern and Southern Africa Business Organization (ESABO). ESABO is an African-initiated and African-led business organization that is playing an increasingly vital role in promoting regional African trade. The two-day conference brought together representatives of ESABO, IGAD, Chambers of Commerce, the private sector, international organizations, governments, para-statal, the press and others. Over 20 countries from East and Southern Africa, as well as the United States, Europe and Asia were represented. The conference was successful in raising key issues related to regional trade and economic growth as well as

providing a forum for linkages and networking. It served as an excellent forum to launch an African-led process leading to commercial and sustainable solutions to food security. ESABO played a catalytic role in bringing together IGAD and many agribusiness representatives to discuss the role of the private sector in IGAD policies.

With SO #3 support, the East African Transportation Initiative (informally known as the "trade pressure group") has been officially established as a regional body to speak out on regional trade issues. Since the May meeting, EATI has actively worked with its other African partners in the region to achieve a commitment to reduce tariffs of up to 40% in five southern tier countries.

Another private sector organization in the region which is being strengthened to facilitate GHAI implementation is AABA, the All Africa Businesswomens' Association. This activity is discussed at length in the SO #2 narrative.

Progress Towards Intermediate Results

The intermediate results and indicators for SO #3 will be revised to reflect the lessons learned over the past year, performance shortfalls and the GHAI strategy, which is currently being developed with our partners. The progress toward intermediate results information provided below reflects the momentum which is underway in food-security and crisis-prevention. The trend is positive.

IR# 3.1: Strengthened Support For Food Security In The Region

Please note that the original indicators for this IR were specific to the Famine Early Warning System (FEWS) project, an activity which is monitored by SO #4 and managed by Washington and thus is not considered appropriate for SO #3. In reviewing the past year, however, SO #3 believes that significant progress has been made toward this intermediate result against different indicators. This progress is described below:

IGAD member states moved towards the adoption of a regional food security strategy. The new IGAD charter reinforces their commitment to developing a joint regional approach to food security and its mandate is to create a framework for addressing food security at a regional level. REDSO/ESA provided the technical assistance to IGAD in drafting a food security statement for the GHA region which was presented at a major African food security meeting in Ouagadougou and subsequently became a part of the African presentation at the World Food Summit in Rome. This effort was the first updating of the region's food security statement since the Kampala Declaration in 1991.

An electronic regional food security inventory for GHA countries was installed at REDSO/ESA, with the assistance of the GHAI/W DELTA Team. This data base was demonstrated in four GHA countries and circulated to numerous NGOs. The database contains information on food security activities throughout the GHA region, maps, data on current food production, consumption and food aid levels, and projections of food aid requirements through 2010.

Significant interest in the data base has been generated and it is anticipated that ownership will be handed over to an African institution in FY 1997 or FY 1998, enabling our partners to manage their own information needs related to food security issues. The GHAI private sector partners have also expressed interest in a data base which can meet their market information requirements. SO #3 will support efforts to establish such a data base, including a determination of the adaptability of the food security inventory data base to market information requirements.

IR# 3.3: Greater Regional Collaboration For Sustainable Economic Growth

This IR captures the synergy of REDSO/ESA's Strategic Objectives #2 and #3. Under the auspices of these SOs, nineteen major conferences, workshops, working groups, and other types of consultations took place during the year. These included the IGAD summit, launching and ministerial meetings; ESABO conference, Private Sector Survey, regional trade workshops and conferences, AABA launching, Policy Research Group workshops, ASARECA working groups and strategic planning meeting, Coastal Resource Management conference, and Commodity Network activities. All of these activities are contributing to an enabling environment in the region for policy changes.

IR# 3.4: Strategies Developed For Transition From Crises To Sustainable Development

Although this intermediate result was managed by the GHAI Transitions Team in Washington in FY 1996, SO #3 provided significant virtual input to the team and considerable technical assistance to Missions in support of results packages that link relief and development, including active participation in the Integrated Strategic Plan (ISP) for Somalia and the synthesis of lessons learned from demobilization/reintegration programs.

With management by REDSO/ESA and funding from Global, Seeds of Hope II assembled appropriate seed varieties which were quickly multiplied for distribution to destitute Rwandan farmers. The program served as an incentive for people to return to their homes and helped maintain livelihoods of farmers even under emergency conditions. Based on the success in Rwanda, research centers are now working on the development of other adapted varieties of major food crops that can be rapidly replenished following disasters. SO #3 has indeed exceeded its targets by supporting Washington and Mission-based activities in the field that directly support the principles, operating guidelines, and recommendations of the GHAI Transitions Team.

Managing For Results/Lessons Learned

Although considerable progress has been made toward SO #3, the pace at which we are able to bring African NGOs into the implementation of the GHAI is moving much slower than we had anticipated. As many of these NGOs do not have sufficient capacity to receive and/or manage USAID funds, we have identified capacity-building as an essential objective for the GHAI strategy which is currently under development. While the pace of implementation may have

been slower than anticipated, we believe our intentions have been clearly demonstrated to many indigenous NGOS through extensive consultations.

Regional trade agreements were not fully developed, although important progress was made toward establishing a clear process for the development of agreements, and formal recommendations were presented to governments by African analysts and private sector institutions to catalyze the process. The assumption that this could be accomplished within one year was not realistic. Agricultural policy networks were also not established, although detailed plans and funding proposals have been developed. Due to the restructuring of ASARECA's Secretariat during the year, it was not realistic to expect this institution to start large new projects.

Institutions strengthened with input from REDSO/ESA to implement GHAI activities did not include ten National Action Committees (NACs) nor five International PVOs, as targeted in the IR. This was due in large part to the decision that a coordinated USG strategy would be developed for GHAI during the year and that from that process would emerge the most appropriate mechanisms through which to coordinate and manage the GHAI. As a result, formally constituting National Action Committees or signing agreements with international PVOs was deemed premature until the GHAI strategy is complete. Nevertheless, as part of ongoing, pre-established activities, REDSO/ESA did provide inputs to strengthen institutions in the GHA region, including IGAD, ESABO, ASARECA and AABA.

Finally it is important to understand that the Greater Horn of Africa Initiative embodies the new direction that USAID is taking in "doing business differently." In this regard, the following are among the most significant trends that SO #3 is supporting:

Donor Coordination: REDSO/ESA has been key in promoting both policy and operational coordination among donors in the GHA region. With SO #3 support, the REDSO/ESA Director is an active participant in the "Donor Forum," established to ensure cooperation and transparency among and between donors and their African partners in the region. In its management of the HASP, SO #3 is working with IGAD and its major donors to create a standardized system of reporting that will serve the needs of all.

Responsiveness to Emerging Regional Trends and Needs: The GHAI and SO #3 promotion of regionalism as a development concept supports a trend that is already underway in the region, as evidenced by recent reengineering efforts within the OAU, ECA, IGAD, EAC, and other regional bodies. Regional approaches, supported by REDSO/ESA, provide significant value-added since many development issues are inherently regional, and many can benefit significantly from a regional perspective (such as cross-border trade, refugee populations, etc).

Results From Customer Survey

Although SO #3 has not yet conducted a formal customer survey, consultations within the region have been extensive due to development of the GHAI strategy which is currently underway. As

noted earlier, SO #3 is determined to uphold the GHAI principle of African ownership, and in so doing, has listened to the needs of African institutions, governments and individuals in the region. Capacity-building for African entities has emerged as a major priority for the region, and will thus be incorporated into the GHAI strategy and receive even greater emphasis in the new IRs for SO #3.

Expected Progress Through FY 1999

REDSO/ESA is confident that its SO #3 will meet or exceed its revised targets through FY 1999. As noted earlier, lessons learned and the current development of the GHAI strategy have clearly demonstrated the need for SO #3 to revise its intermediate results and indicators. Activities that will no doubt remain within the new results framework, however, include the HASP Project, with IGAD serving as the primary implementor; donor coordination through the newly established Donor Forum and the Joint IGAD Partnership Forum; technical assistance to GHA Missions and embassies on the continued incorporation of GHAI programming principles; and support to REDSO/ESA's other emerging implementing partners in the GHA region.

Management actions to be taken to ensure that performance results in the future are achieved include:

- a) By April 30, 1997, several key staff additions will be made to the GHAI Coordination Unit in REDSO/ESA. These include an FSN Senior Advisor, an FSN Computer Assistant, and an FSN Administrative Assistant. This will help the Unit fulfill its coordination responsibilities.
- b) By late spring of 1997, the GHAI strategy will be completed. This will further define the continuing process by which this Strategic Objective will best be achieved, as well as REDSO/ESA's overall role in implementation of the GHAI.
- c) The GHAI strategy development, coupled with the lessons learned over the past year, will be used to facilitate adjustments in the results framework for SO #3.

Performance Data Tables: SO #3

OBJECTIVE: Establish a Strong basis for Implementation of the Greater Horn of Africa Initiative			
APPROVED: 06/94 COUNTRY/ORGANIZATION: REDSO/ESA/EA			
RESULT NAME: SO #3: Establish a Strong Basis for Implementation of the Greater Horn of Africa Initiative			
INDICATOR: Number of Institutions in the GHA Region Established or Strengthened with Input from REDSO/ESA			
<p>UNIT OF MEASURE: Actual number of institutions (cumulative)</p> <hr/> <p>SOURCE: REDSO/ESA Activity reports</p> <hr/> <p>INDICATOR DESCRIPTION: The six targets for FY 1996 were: 1) revitalized financial and management systems; 2) donor forum constituted; 3) 10 NACs constituted; 4) 5 int'l PVOs implement GHAI; 5) 5 African PVOs implement GHAI; and 6) 2 regional private sector organizations strengthened to facilitate GHAI (institutions include African PVOs, regional organizations [governmental and private sector] and research institutes).</p> <hr/> <p>COMMENTS: In FY 1996, IGAD revitalized its financial and management systems, a donor forum was constituted, and REDSO/ESA support helped strengthen IGAD, ESABO, EATI, ASARECA, the Commodity Networks (4) and constitute AABA (a women's business group). REDSO/ESA also assisted the regional trade steering committee to become part of EAC. Thus, our target OF 6 was actually exceeded. * The targets of 10 NACs constituted, 5 int'l PVOs, and 5 African NGOs implementing GHAI were overly ambitious and with the exception of 5 African NGOs, may not be the most appropriate mechanisms for implementing the GHAI. Although SO #3 expects to again meet 4 of its FY 1997 targets, due to lessons learned and as part of the GHAI strategy development currently underway, SO #3 will be revising its IRs and indicators. Outyears beyond FY 1997 are therefore not projected.</p>	YEAR	PLANNED	ACTUAL
	1995B		3
	1996	6	4 *
	1997	4	
	1998	N/A	
	1999	N/A	
	2000	N/A	
	2001	N/A	
	2002	N/A	

OBJECTIVE: Establish a strong basis for implementation of the Greater Horn of Africa Initiative			
APPROVED: 06/94M COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: SO #3: IR3.1 Strengthened Support for Food Security in the Region			
INDICATOR: Number of GHAI Countries Covered by Regional Integrated Food Security Data Base			
UNIT OF MEASURE: Number of GHAI countries with functioning FEWS surveillance SOURCE: FEWS data INDICATOR DESCRIPTION: The FY 1996 plan to include Burundi was overtaken by civil strife. Coverage is being provided, as possible, by the FEWS representative in Uganda. COMMENTS: These indicators are not appropriately measured by SO #3, because the FEWS activity is monitored by SO #4 and managed by Washington. In FY97, and as part of GHAI strategy development and lessons learned, SO #3 will be revising its indicators and units of measurement for this result.	YEAR	PLANNED	ACTUAL
	1994B		4
	1995		5
	1996	9	8
	1997	N/A	

OBJECTIVE: Establish a Strong Basis for Implementation of the Greater Horn of Africa Initiative			
APPROVED: 06/1994 COUNTRY/ORGANIZATION: REDSO/ESA/EA			
RESULT NAME: SO #3: IR3.3 Greater Regional Collaboration for Sustainable Economic Growth			
INDICATOR: Number of Formal Consultations by Regional Economic Decision Makers in both Private and Government Sectors.			
UNIT OF MEASURE: Number of major conferences, workshops, working groups, consultations,etc. Which have results leading to policy changes in the region. SOURCE: REDSO/ESA activity reports INDICATOR DESCRIPTION: Number of conferences, etc., convened; This indicator currently reflects only an aggregation of meetings-not impact- and will be changed in the future. The exception is the regional trade activity, which has resulted in a trade "pressure" group implementing recommendations to reduce tariffs by 40% in five southern tier countries. COMMENTS: GHAI-related activities included conferences/workshops convened by ESABO, AABA, IGAD, ASARECA working groups and ASARECA strategic planning meeting, policy research group, coastal resource management, as well as support for a private sector survey, regional trade, and the commodity networks. Although three indicators were originally established for this IR, only one has been reported on (established by SO #3 team after submission of last year's R4). All of SO #3's IRs and indicators will be revised in FY 1997, due both to lessons learned and the current development of the GHAI strategy	YEAR	PLANNED	ACTUAL
	1996B		19

OBJECTIVE: Establish a Strong Basis for Implementation of the Greater Horn of Africa Initiative			
APPROVED: 06/1994 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: IR3.4 Strategies Developed for Transition from Crises to Sustainable Development			
INDICATOR: Number of Countries with a Minimum of One New Method or Practice in Place			
UNIT OF MEASURE: Number of countries in GHA region SOURCE: REDSO/ESA/EA Documentation INDICATOR DESCRIPTION: Number and kinds of methods and practices which support transitions, including Integrated Strategic Planning (ISP) for bilateral Missions and activities which directly link relief and development COMMENTS: In FY 1996, REDSO/ESA provided technical assistance to the Somalia ISP, managed the Seeds of Hope II activity, and applied lessons learned from demob/reintegration programs as part of ongoing technical assistance to missions. Although this IR is officially being managed by the GHAI/W transitions team, SO #3 contributed significantly to it and thus is reporting on it with REDSO/ESA-specific indicators. Again, due to GHAI strategy development and lessons learned, SO #3 expects to be revising all of its IRs and indicators, thus outyears are not projected.	YEAR	PLANNED	ACTUAL
	1995B		0
	1996	0	3
	1997		
	1998		
	1999		

D. Strategic Objective (SO) #4, "Effective Delivery of USAID's Humanitarian Assistance"

Linkage to Agency Goals

REDSO/ESA's SO #4 directly links with **Agency Goal 5, "Lives saved, suffering reduced and development potential reinforced."** The SO #4 Team strives to improve preparedness in the ESA region for constructive responses to crises, ensure more effective USAID responses as they arise and enhance target population capacity to transition from relief to development following a crisis.

REDSO/ESA's SO #4 is also directly linked to GHAI objectives and principles. The majority of the activities in which REDSO/ESA/FFP and the SO #4 Team are directly involved in managing and monitoring are within the GHA region. The humanitarian assistance program in Sudan managed by REDSO/ESA's SO #4 Team, is an excellent example of this linkage. A USG inter-agency team comprised of Washington and Nairobi-based members completed a draft of the Sudan Integrated Strategic Plan (ISP) in January 1997. Two of the four strategic objectives are directly linked to the GHAI objectives: food security and conflict resolution. A third ISP strategic objective - reintegration of internally displaced and refugees - is closely linked to food security and conflict resolution. GHAI principles of local responsibility/participation, strategic coordination and relief programs which reinforce development are also an integral part of the Sudan ISP.

Progress Towards the Strategic Objective (SO) #4

SO #4 Indicator #1: Reduction in vulnerable population requiring critical needs to sustain life.

SO #4 Indicator #2: Per cent decrease in levels of acute malnutrition in target populations.

The most significant events which affected our humanitarian assistance programs in 1996 were: (1) the unprecedented return of over 1 million Rwandan refugees to Rwanda from eastern Zaire and Tanzania; (2) the coup in Burundi by Tutsi hardliners; (3) the increased insecurity in northern Uganda, and (4) the increased fighting in Sudan which has spread to areas in northeastern and eastern Sudan.

REDSO/ESA's SO #4 Team strongly believes that USAID's humanitarian assistance in the ESA region was provided more effectively in 1996, than in the past. The positive impact of USAID's humanitarian assistance in the ESA region is unquestioned. Countless lives have been saved and suffering of vulnerable groups has been lessened. Witness the drop in the number of at-risk populations (those requiring external assistance) from 11.6 million in June 1995, to 8.5 million in October 1996, the primary SO #4 indicator. This is well below our revised target figure of 10.0 million. Although favorable weather conditions were a factor, timely seeds/tools inputs, more accurate population estimates of displaced persons/refugees in Sudan and eastern Zaire, and joint assessments were also significant. In addition, the drop in at-risk populations was facilitated by

close coordination among REDSO/ESA, donors and USAID/W along with strong collaboration between REDSO/ESA and its local and international partners. These partners assisted in developing strategies that promoted a reversal of the upward trend of at-risk populations. The combination of partner dialogue and REDSO/ESA approaches helped reduce USG relief costs by tens of millions of dollars.

A critical SO #4 Team role of collecting and analyzing humanitarian crises information, particularly in the GHA region, and monitoring relief interventions is possible because of its Nairobi base. Nairobi is the regional headquarters for numerous United Nations Offices (UNICEF, WFP, DHA/IRIN, UNHCR), International Organizations (IOs) (ICRC, IFRC), and NGOs (CRS, CARE, WVI, IMC, ARC, IRC, MSF/International, SCF/UK). Many donors also have Nairobi staff with regional responsibilities. REDSO/ESA is key to enhancing USAID/W understanding of developing events and thus its capacity to prioritize relief interventions.

Progress Towards Intermediate Results

IR 4.1: Improved preparedness in the ESA region for effective responses to crises

Overall improvement in ESA region preparedness in FY 1996 is evidenced by one of our main indicators - accurate and timely reporting and analysis by FEWS on climatic conditions, production estimates and vulnerability updates. Detailed and accurate reporting and analysis by FEWS on the Kenya drought situation was a main factor in the Government of Kenya (GOK) and the U.S. Ambassador declaring a drought emergency. In drought-ravaged areas of Eastern Province, the maize crop has been lost in areas where drought resistant sorghum and millet have survived. REDSO/ESA, in partnership with USAID/Kenya, the GOK and UN agencies is using school feeding programs to re-introduce and enhance acceptance of sorghum into the province through drought relief school feeding programs and planned sorghum/millet seed and marketing interventions. REDSO/ESA's advisory role to the Ambassador and UN Agencies resulted in major policy reform - the GOK elimination of taxes and duties on maize imports. Other overall improvements in preparedness were evidenced by: detailed, accurate and timely REDSO/ESA staff reporting on movements of refugees; predictions on increased internally displaced persons and increased insecurity in Sudan and eastern Zaire. REDSO/ESA participation on joint food needs assessments were key to enormous savings in donor inputs to regional relief programs.

IR 4.2: More effective responses to crises as they arise

Overall USAID responses have been more effective to crises in the region due to increased monitoring and strengthened donor/field-partner coordination. Frequent visits and constant interaction by REDSO/ESA staff with relief agencies in eastern Zaire enabled REDSO/ESA to identify measures to prevent taxation and diversion of donor food from refugee camps. Strategic coordination based in part on REDSO/ESA analysis and reporting from a regional perspective enabled more than one million refugees to return to Rwanda without experiencing any emergency food pipeline gaps. Our detailed reporting and close coordination with BHR, UNOs and other IOs helped Rwanda to begin to repatriate more than one million returnees prior to the arrival of the DART/Rwanda team.

IR 4.3: Enhanced target population capacity to re-establish their livelihoods following a crises

Many vulnerable groups are now better prepared in FY 1997 to meet at least some of their own needs and will be in a better position to re-establish their livelihoods at the end of a crisis. Southern Sudan is one example where previously internally displaced were totally dependent on external assistance for their food needs are now producing up to 25% of their own needs from donated seeds and tools. Also, production incentives are being provided in southern Sudan; farmers are now producing surpluses which USAID hopes to provide vulnerable groups to further reduce their need for external assistance. The overall proportion of USAID non-food resources in south Sudan focusing on recovery/rehabilitation activities versus straight emergency relief was 49%, better than REDSO/ESA's target of 45%.

Managing for Results/Lessons Learned

When the SO #4 team determined that it had exceeded the target for its main indicator at the SO level in 1996, it decided to revise the figure downwards from 15.0 million population at-risk to 11.0 million at-risk, as well as revise the indicators downward for follow-on years. Some of the main reasons for the significant reduction were favorable growing conditions, timely inputs of seeds/tools and more accurate population estimates through more frequent census.

In preparing the draft Sudan ISP, close consultation with our customers, partners and donors reinforced the need to enhance local capacities so that the southern Sudanese can meet more of their own needs and reduce their dependency on external assistance.

Two main lessons have been learned - the importance of various types of early warning capabilities and the need to support local coping mechanisms/capacities; provide relief developmentally, and transition out of relief programs to rehabilitation/recovery and development programs where appropriate.

Expected Progress Through FY 1999

In addition to the continuing security, logistical constraints and variable weather conditions for 1997, the most serious regional concerns are: (1) potential for Burundi to explode once again; (2) impact of fighting in eastern Zaire on refugees and internally displaced; (3) increased tensions in Rwanda because of the return of more than 1 million refugees; (4) heavier fighting in parts of Sudan, with increased tensions along the Sudanese borders with Eritrea, Ethiopia and Uganda; (5) impact of the increased civil strife in northern Uganda; and, (6) impact of the drought in many parts of Kenya.

Although it is probable that the overall numbers of at-risk populations will increase in FY 1997 because of concerns raised above, the SO #4 Team will continue to ensure that relief is done developmentally so local capacities are re-enforced, dependencies are reduced and opportunities for early transition to rehabilitation and development are pursued when appropriate.

Changes/Revisions Required: SO #4 recognizes that some indicators are no longer appropriate. For example, SO Indicator 4.2 was difficult to measure because there is insufficient consistency of measurement of malnutrition across programs making it difficult to gage the full impact of REDSO/ESA's actions. USAID/W has developed a recommended list of "common indicators" to be used in measuring results at the SO level. The food security and humanitarian assistance related indicators have not yet been completed, and once received, the SO #4 Team will determine their potential for use as indicators at our SO or possibly IR levels. Some indicators at the IR level (such as indicators for IR 4.1 and IR 4.2) will also likely be revised or possibly eliminated, as they may not be the most appropriate indicator or may not be within our manageable interest.

During the next few months the SO #4 Team will review all indicators at the SO and IR levels and prepare a set of alternative indicators for discussion among our expanded and virtual teams so that a set of meaningful and appropriate indicators will be identified. During this exercise, new benchmarks and targets will be developed, as appropriate. This exercise will take into account the proposed change from an SO to a strategic support objective (SSO), as discussed below, and the continued partnership with USAID/W in carrying out humanitarian assistance interventions.

According to the ADS (Section 201.5.10b), a strategic support objective (SSO) is intended to capture and measure a regional or Agency-wide development objective which involves the achievement of various USAID operating units' individual strategic objectives as well important contributions by a central or regional bureau or an operating unit which has multi-country responsibilities, e.g., a regional Mission. A key differentiation from a strategic objective is that there is an explicit recognition in the definition of the support objective and the accompanying results framework that its achievement is accomplished and measured through activities and results both at the field Mission level as well as at the central level. Therefore, in line with the ADS guidance, REDSO/ESA believes it more appropriate for SO #4 to be considered a SSO, rather than a SO. SO #4 is intended to support Agency goal 5, *"Lives saved, suffering reduced and development potential reinforced,"* and its corresponding objectives. SO #4 also supports the achievement of BHR/FFP/ER and BHR/OFDA objectives. The achievement of SO #4 can

only be accomplished and measured through joint activities and results at REDSO/ESA, certain field Mission levels as well as at the central (BHR) level. BHR is the main central operating unit which significantly contributes to the achievement of SO #4 by providing and obligating all the financial resources for carrying out humanitarian relief assistance (PL 480 Title II emergency and OFDA funds).

With a wide range of technical expertise, significant levels of humanitarian relief experience to draw upon and the existence of Nairobi regional offices for many UNOs, IOs, NGOs and donors, REDSO/ESA has a comparative advantage in collecting and analyzing data and other useful information from numerous sources on the various humanitarian crises in the ESA region. The SO #4 team works closely with the SO #3 team (GHAI) to see that relief is done developmentally and to identify opportunities for transitions to rehabilitation and development where appropriate.

In addition to fulfilling a significant reporting, analyzing and monitoring role, REDSO/ESA believes the SO #4 team could also perform the functions of a disaster assistance response team (DART) and could act as an extension of BHR in the field. With the SO #4 team functioning as a DART (or at a minimum be members of a DART), there should be a better transition to post-disaster activities managed by USAID Missions or REDSO/ESA. As mentioned below, REDSO/ESA proposes that BHR/OFDA approve the re-delegation of authority to the REDSO/ESA Director for up to \$2 million in OFDA/IDA resources in order for the SO #4 Team to perform DART-like functions, addressing unforeseen emergencies and permitting more timely responses.

OFDA and PL 480 Title II emergency resources have never been included in REDSO/ESA's operational year budget. In the spirit of re-engineering, the SO #4 Team is concerned about the lack of response from BHR regarding a request made in the FY 1998 R4 for the re-delegation of authorities from BHR to the REDSO/ESA Director for two pilot activities. The SO #4 Team believes these pilot activities would significantly improve USAID's ability to address unforeseen disasters/emergencies in a more timely and cost-effective manner. The two pilot activities would capitalize on REDSO/ESA staff's unrivalled level of collective relief-to-development experience and our first-hand knowledge of the region and events. The first pilot program will request BHR to re-delegate to the REDSO/ESA Director approval authority to program up to \$10 million of PL 480 Title II emergency resources (including pre-positioning of commodities and monetization) to address presently unforeseen emergencies and to permit more timely responses, including local purchases. The second pilot program will request BHR to re-delegate to the REDSO/ESA Director authority to approve up to \$2 million in BHR/OFDA funds to address unforeseen emergencies and permit timely responses. In effect, the SO #4 team and other REDSO/ESA staff would function similarly to DART with re-delegations of authorities in the field. Formal requests for these two pilot activities will be resubmitted in cable format during the second quarter of FY 1997. These two pilot activities would amount to less than 5% of what BHR spends on average in the ESA region on humanitarian activities in any given year. Nonetheless, even with approval of these two pilot activities, REDSO/ESA believes that the SO #4 should still be reclassified as a SSO because the achievement of this objective can only be

accomplished and measured through joint activities and results at REDSO/ESA, certain field Mission levels as well as at the central (BHR) level. BHR would still be the main central operating unit which significantly contributes to the achievement of this objective by providing and obligating most, if not all, the financial resources for carrying out humanitarian relief assistance.

OBJECTIVE: SO #4 - Effective Delivery of USAID's Humanitarian Assistance

APPROVED: 4/1995 **COUNTRY/ORGANIZATION:** REDSO/ESA

Result Name: Effective Delivery of USAID'S Humanitarian Assistance

INDICATOR: 4.1 Reduction in numbers of vulnerable populations requiring external assistance (revised wording)

UNIT OF MEASURE: Reduced number of people (in millions), with 1994 as baseline year.

SOURCE: East Africa at-risk tables prepared by REDSO/ESA twice a year.

INDICATOR DESCRIPTION: REDSO/ESA prepares a semi-annual table of at-risk populations (refugees, internally displaced, drought-affected) who require external food assistance.

COMMENTS: The wording of this indicator has been revised in order to have a more measurable indicator. Significant constraints/factors beyond the control of REDSO/ESA may require REDSO/ESA to revise targets for this indicator during 1997.

YEAR	PLANNED	ACTUAL
1994		19.1
1995	17	11.4
1996	11 (revised)	8.5
1997	10 (revised)	
1998	8 (revised)	
1999	7 (revised)	

OBJECTIVE: SO #4 Effective Delivery of USAID's Humanitarian Assistance			
APPROVED: 4/1995 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: Intermediate Result 4.3: Enhanced target population capacity to re-establish their livelihoods following a crisis			
INDICATOR: 4.3.1 Reduced dependency on USG emergency food aid for direct distribution to target groups (revised)			
UNIT OF MEASURE: Reduced percent of Title II emergency commodities utilized for direct distribution out of the total food needs for target groups SOURCE: PL 480 Title II budget tables, REDSO/ESA/SFO and cooperating sponsor reports/analysis INDICATOR DESCRIPTION: Title II emergency programs frequently include direct distribution of 100% of food needs for vulnerable groups, such as displaced persons or refugees. However, the provision of seeds and tools or use of monetization funds for local purchases can permit a reduction in the overall dependency of USAID food for direct distribution. Figures are for Title II emergency PVO programs in southern Sudan. COMMENTS:	YEAR	PLANNED	ACTUAL
	1995		100%
	1996	85%	80%
	1997	80%	
	1998	70%	
	1999	50%	

OBJECTIVE: SO #4 Effective Delivery of USAID's Humanitarian Assistance APPROVED: 4/1995 COUNTRY/ORGANIZATION: REDSO/ESA			
RESULT NAME: Intermediate Result 4.3 - Enhanced target population capacity to re-establish their livelihoods following a crisis			
INDICATOR: 4.3.3: Proportion of USAID non-food resources going into recovery and rehabilitation activities versus pure relief activities			
UNIT OF MEASURE: Percent of recovery/rehabilitation funds vs. total level of OFDA funds provided in southern Sudan SOURCE: REDSO/ESA calculation of percentages, using OFDA budget tables and grant documents INDICATOR DESCRIPTION: The proportion of OFDA resources utilized to support recovery/rehabilitation activities relative to the overall level of OFDA funds is considered a good measure of supporting local capacities and will show the percentage of emergency relief vs. recovery/rehabilitation activities. COMMENTS:	YEAR	PLANNED	ACTUAL
	1995		42.9
	1996	45	49
	1997	48	
	1998	52	
	1999	55	

Part III: STATUS OF THE MANAGEMENT CONTRACT

SSO #1 will remain stable during the planning period. As describe in SSO #1's performance analysis, several IRs will be modified and a new IR for training will be introduced. By providing high quality services and training to ESA Missions in all the important USAID functional areas the demand for REDSO/ESA services will continue.

The SO #2 will not be modified at the strategic objective level. However, given the diversity of its activities and the creative nature of SO#2, more appropriate IRs and indicators will be written to more clearly differentiate and identify activities that contribute to the achievement of Agency goals.

SO #3 will not change at the strategic objective level, but the SO #3 team will revisit a number of IRs and indicators to refine SO #3's results framework, as mentioned in the SO #3 narrative. REDSO/ESA's raison d'etre will be an integration of SO #3, SO #2, SO #4 and SSO #1.

REDSO/ESA believes that SO #4 should be classified as a SSO because SO #4 supports the achievements of objectives of BHR/FFP/ER and BHR/OFDA and the achievement of these objectives can only be accomplished and measured through joint activities and results at REDSO/ESA, certain field Mission levels as well as at the central BHR level. Even if re-delegation of authority is provided by BHR to the REDSO/ESA Director for the two pilot activities being proposed, BHR would still be the main central operating unit which significantly contributes to the achievement of this objective by providing and obligating most, if not all, the financial resources for carrying out humanitarian relief assistance.

Part IV: REDSO/ESA RESOURCE REQUEST

REDSO/ESA is rapidly transforming into a Regional Center of Excellence, integrating its traditional "service provider" role with a results oriented regional program that complements ESA Mission programs. This direction is due to the synergy that has been developed between REDSO/ESA's "service provider" role and its own emerging program. Now the REDSO/ESA program is one with a vision of African-led and African-owned regional approaches to development opportunities, and one which delivers "value-added" complementarity to ESA bilateral Missions. There is a demonstrated need for a field platform with a regional perspective. Such a perspective informs and provides linkages to bilateral Mission programs, especially in the GHA Region. REDSO/ESA requests that its mandate in this area to provide practical responses to the Agency's vision on regionalism, crisis prevention and decentralization be firmly endorsed.

Financial Plan

Because of this regional "value-added" approach, for FY 1998 and FY 1999, REDSO/ESA is requesting more resources than the AFR/DP planning levels. Apart from GHAI funds, for FY 1998, REDSO/ESA is requesting \$9.12 million, which is \$3.9 million above the AFR/DP control levels. For FY 1999, assuming the control levels were straightlined, REDSO/ESA is requesting \$8.73 million, which is \$3.51 million above the straightlined level. For GHAI-sourced funds, REDSO/ESA is requesting \$9.0 million in both FY 1998 and FY 1999. In general pipeline levels appear high, however, this is due to the need to forward fund several personal services contracts and separate regional activities. The pipeline for SO #3 is a special case with respect to GHAI funds which is discussed in the SO #3 Resource Request section below. The USAID/REDSO/ESA Budget Request can be found in the Annex A tables.

Strategic Support Objective (SSO) #1, "Effective Technical and Program Support to ESA Missions"

From its traditional platform as a regional "service-provider" REDSO/ESA has delivered key assistance to ESA Missions in all of USAID's technical and programmatic areas. More recently, this platform has provided the basis for an enhanced value-added dimension, leveraging this "service-provider" role with valuable knowledge from REDSO/ESA regional programs. This synergistic combination is increasingly complementing bi-lateral programs by networking development solutions into a regional, cross-border framework. REDSO/ESA's first Customer Service Survey of ESA Missions indicated an overall 79.2% rating that REDSO/ESA's contribution was significant or higher and 18% rated it as essential. In almost all survey responses, the client Missions requested some type of training related to NMS and reengineering.

SSO #1 plans for continuing its technical and programmatic support to ESA Missions will maintain its contribution to the Agency's goals of: **Broad-based Economic Growth Achieved; Stabilizing World Population and Protecting Human Health; Protecting the Environment; and, Building Democracy.** This expertise will be in all major technical sectors including:

population, health, agriculture, democracy/governance, economics, child survival, gender in development and the private sector. Staff support will also be provided in the areas of accounting, procurement, legal, program, and project development. REDSO/ESA has organized itself so that staff resources dedicated to achieving SSO #1 results are also partially allocated to support our SO #2 regional activities, and to a lesser extent SO #3 GHAI efforts and SO #4 humanitarian assistance. This structure greatly enhances REDSO/ESA's support to ESA Missions because SSO #1 staff can carry out their assistance with the knowledge of the regional context within which client Mission programs operate, including the regional constraints and solutions.

Furthermore, in response to the ESA feedback on the need for training, REDSO/ESA will enhance its ability to be a Center of Excellence by procuring the services of a consultant who will train selected REDSO/ESA staff so they can train others while on TDY to ESA Missions and at REDSO/ESA headquarters.

The financial resources required for SSO #1 to continue to make progress toward its target Results are: FY 1997 - \$1.5 million; FY 1998 - \$2.28 million; and FY 1999 - \$1.69 million.

Strategic Objective (SO) #2, "Increased Utilization of Critical Information By USAID and Other Decision-Makers in the Region"

This Strategic Objective represents a cross-cutting regional program focus which adds value to the REDSO/ESA regional agenda across several areas. Therefore the resource request is presented according to the four Agency Goal areas: **Stabilizing World Population and Protecting Human Health; Broad-based Economic Growth Achieved; Building Democracy; and Protecting the Environment.**

SO #2 has established a highly successful set of value adding activities in population, health, child survival, and environment/natural resources. These activities are to be continued. However, as an overriding operational adjustment, in FY 1998 and FY 1999 REDSO/ESA is consolidating activities in these areas to a few Result Packages. As a reflection of this change in the implementation structure, resource needs for these continuing activities will require approximately in FY 1997 - \$0.88 million; in FY 1998 - \$0.35 million; and in FY 1999 - \$0.2 million.

Population and Health:

Several activities in the population and health sector are now underway, there are two major resource needs: 1) continue and expand the momentum within the region and 2) fund a new Results Package that will provide continuity in the Health Network activities throughout the ESA region. In FY 1997 the resources needed to fund ongoing activities are \$376,000. To continue funding population and health activities in FY 1998 as the new Result Package is being designed, \$1.42 million will be needed. The design and initial start-up of the new Results Package will

cost in FY 1997 \$350,000. In FY 1999, the Result Package will be moving into full implementation and will require \$2.5 million.

In FY 1997, SO #2 will be able to begin to apply its successful regional health and family planning experience to launch a new effort in the Greater Horn of Africa region to establish a food security and nutrition monitoring system working with indigenous organizations in the GHAI focus countries. In particular, it will draw on Global Bureau child survival and nutrition projects and programs in areas related to food security monitoring to indigenous governmental and nongovernmental entities in these countries. An example of the kind of results which are expected to be achieved is a system for monitoring the nutritional status of women and children (the most vulnerable groups in these areas), in particular a system for tracking weight-for-age (WFA) of children 12-23 months. WFA is generally accepted as one of the best overall indicators of the nutritional status of a population. It is responsive to a number of factors, including the economy, food availability and the quality and quantity of health service provision. SO #2 will utilize \$3.5 million in GHAI funding in FY 1997 to fund this effort.

Economic Growth and Support to GHAI:

REDSO/ESA's support to the All-Africa Businesswomen's Association (AABA) strengthens institutions that reinforce and support competitive markets, expand opportunities for women and facilitate innovative structures for disseminating business and trade information. It is a contributing factor to the principle of African ownership in the GHA region, showing that with African ownership progress toward results moves faster. Further support to help AABA in its drive for self-sufficiency is needed. In addition two small gender support activities are to be done in FY 1998. One is to support the work of the post Beijing conference Regional Standing Committees on Women which will assist African women prioritize initiatives for women in the region. The second effort is to conduct an assessment of USAID interventions for women in the region. Accordingly, SO #2 plans an additional \$425,000 in FY 1998 for these activities.

Looking to go beyond the regional activities on information for women businesses and ongoing trade activities, SO #2 will begin to address other critical information needs by supporting regional agricultural research collaboration among international agencies and the private sector, including NGOs. Activities to support National Agricultural Research Systems may include: 1) strengthening linkages between technology development institutions and technology transfer entities (public, private, agribusiness and farmer groups); 2) providing private sector/public sector linkages mechanisms through which existing agricultural technologies can be transferred efficiently to a large number of users; 3) more effectively identifying production constraints to the end user; and, 4) funding agricultural research to address these constraints. This effort will support networking mechanisms, including regional sharing of countries' resources and facilitate conflict resolution in the agriculture sector. The estimated cost of this intervention is \$1.57 million in FY o GHAI funds. Then \$375,000 will be needed in both FY 1998 and FY 1999.

In addition to the proposed regional support to National Agricultural Research Systems, SO #2 is proposing to begin full field "management" responsibility for three of the AFR/SD-funded

agricultural research crop commodity networks operating in the region (potato, beans, cassava). SO #2 has been responsible for "monitoring" these networks for AFR/SD and the Global Bureau under a previous Memorandum of Understanding (MOU). This arrangement has proven to be cumbersome and ineffective. It is also an inefficient use of REDSO/ESA staff because adequate authority is absent from the current grants, executed in AID/W, to allow REDSO/ESA to provide effective guidance to these field programs. Indeed, the recent evaluation of these commodity Networks concludes, "the evaluation team recommends that the support mechanisms be activated as close to the "on ground" work as possible. This would argue for REDSO/ESA being the project office." Furthermore, the Customers (African Coordinators and IARC staff) strongly favor this change. Because of the close SO #2 involvement in this effort and the value of conforming with the Agency's desire that development activities be field-driven, SO #2 believes it should begin to take full management responsibility, starting in FY 1997, for the Agricultural Research Commodity Networks operating in the region. If this proposal is approved, REDSO/ESA would share the cost of these activities in FY 1997 (REDSO/ESA - \$600,000; AFR/SD - \$900,000). Then, in FY 1998 and FY 1999, SO #2 would need to receive the \$1.5 million required for supporting these activities (\$500,000/yr each of three Networks). However, if the management and funding for these Networks is not transferred to SO #2, then REDSO/ESA believes that due to the inefficient use of its limited human resources, it can no longer continue to "monitor" these activities.

Environment and Natural Resources:

Because of the successful, REDSO/ESA-funded, University of Rhode Island's pilot activities in Kenya and Tanzania, these USAID Missions are becoming involved in coastal zone management activities. SO #2's October 1996, Inter-Ministerial Conference on Integrated Coastal Zone Management (ICZM) resulted in 10 ESA country ministers formally agreeing to the importance of integrated coastal zone management to sustainable development. Now SO #2 will continue its efforts in ICZM and also serve as a catalyst bringing significant lessons learned in bi-lateral Missions on community-based natural resources management (CBNRM) to others in the region and conduct a GHA Region stakeholder survey on cross-border ecosystem management issues. These environment and natural resource management activities will be consolidated under one Results Package and require \$785,000 in FY 1998 and \$812,500 in FY 1999.

Total requirements for the SO #2 activities are \$9.12 million in FY 1997, \$6.46 million in FY 1998, and \$6.65 million in FY 1999.

Strategic Objective (S) #3," Establish a Strong Basis for Implementation of the Greater Horn of Africa Initiative"

SO #3 is changing the way USAID and its partners do business in the GHA region. For the first time GHA policy makers, the private sector and NGOs came together to develop an Action Plan to eliminate constraints to inter-country trade. Helping to revitalize the Intergovernmental

Authority on Development (IGAD) is noteworthy as a USAID example to work collaboratively with Africans to address problems in a highly crisis prone region. IGAD's reforms, including its shift from consensus to majority voting, make it an internationally-recognized critical player for establishing regional development priorities.

A. Financial Resources

To date the Horn of Africa Support Project (HASP) has been SO #3's primary vehicle for operationalizing the GHAI in the field. With the arrival of the long-term HASP Project Manager in REDSO/ESA, SO #3 expects significant progress toward achieving the objectives of this activity beginning in FY 1997. In FY 1997, SO #3 will be fully funding the HASP, adding \$5.0 million and thus putting in place all the resources that were originally planned for this Activity. While it is true that the HASP pipeline is sizeable, it has been very important to underscore our strong commitment to IGAD for assisting it to become a strengthened regional player in support of the GHAI.

REDSO/ESA's regional trade activities (RTA) are strengthening African markets, improving policies, laws and regulations governing markets and expanding access and opportunities to the poor. The RTA are also a critical element of GHAI's food security objective. An evaluation lauded the heavy reliance on Africans and the approach of moving from "policy analysis to policy implementation". Under RTA, SO #3 plans to fund a series of subactivities either as follow-up to existing activities or extension of ongoing activities. These activities relate to estimating informal cross-border trade in the northern tier, and possibly other countries in the GHAI region, working on policy harmonization in trade and transport and to follow up on recommendations that have come from a GHAI-funded transport costs analysis in the region. All of these activities have received support from USAID field Missions (Ethiopia, Eritrea, Kenya, Somalia and Sudan). In addition, regional entities like IGAD, ECA and OSAREA have participated in their design, identifying them as crucial to the achievement of regional food security. These activities are to be financed by \$300,000 in FY 1997. Future funding will depend on progress toward results and the development of a Results Package for this work.

In anticipation of assuming responsibility for programming the majority of GHAI funding in future years, SO #3 would like to secure funding in FY 1997 for an institutional contractor to perform a two-fold function: a) provide TA in capacity building to African entities in the region and b) award sub-grants to African entities in the region. This contract mechanism could be utilized to assist entities under the HASP as well as those which receive GHAI funding outside the HASP. In order to most effectively program these additional GHAI resources, REDSO/ESA would like to begin the procurement process for obtaining these essential services now. To finance this subgrant and capacity-building mechanism, SO #3 requests \$2.0 million for obligation into the HASP, increasing its LOP to \$14.4 million.

As indicated by GHAI/W and given our collective desire to ensure that programming of GHAI funds is field driven, REDSO/ESA expects to be programming the majority of GHAI funds in outyears, beginning in FY 1998. As the GHAI strategy is still under development,

REDSO/ESA is unable to provide specific requests for GHAI resources for FY 1998 and FY 1999. Nevertheless, in anticipation of the majority of GHAI funds being programmed from REDSO/ESA, the following figures are provided for planning purposes:

FY 1998:

1. GHAI/W \$1 million (EG)
2. REDSO/ESA \$9 million (EG)

FY 1999:

1. GHAI /W \$1 million (EG)
2. REDSO/ESA \$9 million (EG)

B. Program-funded Human Resources

Because REDSO/ESA's responsibilities for management of the GHAI will increase significantly beginning in FY 1997, SO #3 is seeking the following additional human resources, the **minimum** which SO #3 believes is necessary to manage for results.

PSC PDO/Activity Mgr. - to design and manage non-HASP GHAI-funded activities

PSC Program Officer - to assist in the coordination of all facets of strategic planning, budgeting and program implementation, including liaison with Missions and AID/W

Strategic Objective (SO) #4, "Effective Delivery of USAID's Humanitarian Assistance"

Notable accomplishments in SO #4 include: a drop in at-risk populations from 11.6 million to 8.5 million in 16 months; Government of Kenya's dropping of taxes and duties on maize imports, a major policy reform; working with relief agencies in eastern Zaire to identify and take measures to prevent taxation and diversion of donor food from refugee camps; vulnerable groups, such as in southern Sudan, which are better prepared to meet some of their own food needs.

REDSO/ESA now requests that SO #4 move beyond its reporting, analyzing and monitoring role to improving the transition to post-disaster activities, performing as a disaster assistance response team (DART) and an empowered extension of BHR in the field by a re-delegation of authority for up to \$2.0 million in IDA resources to the REDSO/ESA Director. Furthermore, a two-year old request to BHR should be acted upon now to allow two pilot activities to proceed and be managed by SO #4. The first pilot is \$10.0 million of PL 480 Title II emergency resources (including prepositioning of commodities and monetization) and the second pilot is for up to \$2.0 million of BHR/OFDA funds. Both would be for addressing unforeseen emergencies.

On the staffing side, the SO #4 Team believes that it is important for REDSO/ESA to get approval for an additional Food for Peace Officer (FFPO) position. REDSO/ESA believes such a position is essential to maintain our capacity to adequately respond to ongoing as well as unforeseen food emergencies as well as provide support to Missions for the design, implementation and evaluation of Title II development programs. Officially, REDSO/ESA has three FFPO positions and an IDI FFPO. In reality, only the Supervisory FFPO and the IDI

FFPO are fully engaged in FFP activities. One of the other FFPOs is also responsible for managing the Sudan Field Office and is not normally available for TDYs and the other FFPO is presently assigned to the GHAI office with food security responsibilities. The SO #4 team believes that the estimated \$370 million in PL 480 resources provided on a yearly basis to the ESA region justifies the need for an FFPO position. If a new FFPO position is approved, REDSO/ESA recommends that the IDI FFPO, who is due to depart post in September 1997, be assigned to this position. In addition, the SO #4 Team and REDSO/ESA/FFP also requests a new FSNPSC professional position to handle some issues relating to food aid programs, such as port monitoring, cooperating compliance reporting, monitoring use of food aid resources. Such a position would also ensure a level of institutional memory critical in the implementation of complex emergency programs and the continuity that this position would provide to effectively steward \$370 million worth of PL 480 resources allocated to the ESA region each year.

Prioritization of Objectives

The highest priority strategic objective for REDSO/ESA is very easy to identify. However, the prioritization of the remaining strategic objectives is more problematic because of the intricate interrelationship among all of REDSO/ESA's strategic objectives. We want to emphasize that we deem them all as critical to achieving REDSO/ESA's goal of Broad-Based Sustainable Development in the ESA Region, and equally important in directly supporting the Agency achieve its overarching goals.

Strategic Objective #3 - Establish a Strong Basis for Implementation of the Greater Horn Of Africa Initiative - is REDSO/ESA's highest priority strategic objective. The Greater Horn of Africa Initiative (GHAI) is a Presidential Initiative and, with its twin goals of achieving food security and crisis prevention/conflict mitigation-resolution, is the top priority for USAID in the Greater Horn of Africa region. REDSO/ESA has been tasked by USAID/W with the coordination of the implementation of GHAI in the field, as well as coordinating the development of the GHAI strategy. REDSO/ESA also serves as USAID's principle interlocutor with the Intergovernmental Authority on Development (IGAD) in supporting the Greater Horn region's objectives of achieving regional cooperation, and ultimately regional integration. In addition, the GHAI principles of: 1) ensuring African ownership of all strategies, policies, and activities; 2) promoting strategic coordination; 3) linking relief and development strategies, programs and funding; 4) promoting regional approaches to problems/issues; and 5) promoting stability through change, ie assuming underlying instability and integrating this concept into the Agency's planning and implementation have been identified by the Administrator for priority implementation not only in the Greater Horn region, but to be applied to Agency programs world-wide, including southern Africa. Suffice it to say, the achievement of SO #3 is central to the achievement of REDSO/ESA's remaining three Strategic Objectives in the ESA subregion.

REDSO/ESA considers Strategic Objective #2 - Increased Utilization of Critical Information by USAID and Other Decision-Makers in the Region - to be equally as important and in certain aspects more so than SO #3. It has been ranked as the number two priority only because of the overarching importance of achieving the priority objectives of the President's GHAI. SO #3

could easily be combined with SO #2. Under SO #2, REDSO/ESA goes beyond the provision of services and builds upon them to put stated Agency goals and priorities, the latter including regionalization, GHAI principles, decentralization, and reengineering, into practice. We are: 1) merging the two roles of conducting and sharing regional analysis and promoting regional policy harmonization; 2) analyzing regional trends in such a manner as to increase the degree to which regional perspectives are reflected in GHA region bilateral programs and to maximize our support to southern Africa bilateral Missions and the Regional Center for Southern Africa (RCSA); 3) undertaking specific programmatic interventions in those areas that lend themselves to regional approaches, utilizing a wide array of Agency resources (AFR, G Bureaus); 4) enhancing the capacity of the Agency to build, and the ESA bilateral Missions to take advantage of, regional networks, and to link bilateral interventions to regional priorities; and serving as USAID's primary interlocutor with regional organizations (primarily in the GHA region with linkages to southern Africa through the RCSA) to support indigenous trends towards increased regional cooperation. There is a natural synergy between SO#2 and SO #3, and we are planning to build on this synergy and the trends in the ESA sub-region discussed in the Overview and Factors Affecting Program Performance to fully implement the GHAI principles as stated above.

REDSO/ESA has identified Supporting Strategic Objective #1 - Effective Program and Technical Support to all ESA Missions - as the third ranked priority strategic objective.

Formerly REDSO/ESA's *raison d'etre*, given the tremendous cuts in both programmatic and human resource levels for all USAID Missions in the ESA sub-region, it is more imperative than ever that a central repository of experienced program and technical officers be available to assist bilateral Missions in their development of country strategies, performance of integrated strategic planning, design and implementation of results packages, and fulfilling their results monitoring and evaluation responsibilities. It is also important that REDSO/ESA staff continue to play its traditional catalytic role of facilitating the sharing of information, technologies and lessons learned among and between Missions, functions important for the successful attainment of bilateral Mission development objectives. It is imperative that we utilize available human resources more efficiently and effectively to not only assist bilateral Missions achieve their strategic objectives, but to also respond to trends evident in the region, including regionalism. In this regard, SSO #1 directly contributes to SOs #2, #3, and #4 as it provides the human resources for REDSO/ESA's value-added to the ESA region. SSO #1, thru TDYs, contributes directly to REDSO/ESA's ability to identify relationships/synergies in the region.

It will also remain imperative that Financial Management, Legal and Procurement services be provided from a regional platform. The services provided by the Regional Financial Management Center (RFMC) will remain extremely important to the ESA sub-region. Ethiopia, Rwanda, Tanzania, Zambia Eritrea, Burundi, Djibouti, Comoros, Mauritius, and the Seychelles all depend on RFMC to provide Controller and/or accounting/financial reporting services. With the dearth of Procurement Officers and Legal Advisors available to the Agency, the provision of these services will continue to be indispensable to [primarily] east African Missions. With the advent of the New Management System, REDSO/ESA assistance (primarily from our RFMC and Procurement Offices) will continue to be critical for the non-NMS countries to meet NMS reporting requirements. And lastly, REDSO/ESA will continue to provide the only capacity in

the GHA region to respond with managerial oversight and coverage for non-presence countries (Burundi) or countries experiencing difficulties in securing staff for critical operational functions (e.g., Rwanda, Eritrea).

Strategic Objective #4 - Effective Delivery of USAID's Humanitarian Assistance - is ranked as REDSO/ESA's lowest priority only because it is extremely difficult to measure our direct contribution to results. For this reason, and as presented in the Management Contract section of this R4, we are recommending that SO #4 be changed to a Strategic Support Objective (SSO). This is not to say that, as a SSO, this is not an important objective for REDSO/ESA. It is directly supportive of the Agency's strategic objective of Saving Lives, Reducing Suffering, and Reenforcing Development Potential. It also has a direct link to REDSO/ESA's SO #3 in addressing linkages between relief and development strategies, programs and funding. It is only to say that this objective could be deleted from our Management Contract, if required due to resource constraints, because there are, at this juncture, no REDSO/ESA programmatic resources associated with it [although we have repeatedly requested resources and delegations of authority from BHR to enhance the Agency's ability to respond to emergency situations in a more timely and effective manner]. However, the human resources associated with SO #4, or a SSO #4, should not be reduced if a decision were made to eliminate this objective. With the wide range of technical expertise and humanitarian assistance experience resident in REDSO/ESA, and the location of Nairobi-based regional offices for many UNOs, Ios, NGOs, and donors, REDSO/ESA has a comparative advantage in collecting and analyzing data and other useful information, and in monitoring and managing USAID humanitarian assistance resources. In addition, REDSO/ESA is well positioned to identify opportunities for transitions to rehabilitation and development where appropriate. SSO #1 and SO #3 would serve as the link for the services provided and results garnered. As discussed in other sections of this document, the aforementioned functions provided by REDSO/ESA for the Agency to respond to humanitarian crisis on a timely, effective and efficient basis is invaluable to the Agency and should and must be retained.

Linkage of Field Support

Centrally funded resources from USAID/W such as the Global Bureau and Africa/SD are fully integrated into REDSO/ESA programs. REDSO/ESA has a number of activities and USPSCs funded under projects such as Parts, HHRAA, Eager etc. that contribute directly to the achievement of our strategic objectives. This is particularly true in health and population; and economic growth sectors under SO #2. (See Global Field Support Table)

As REDSO/ESA moves from its "raison d'etre" of providing technical and programmatic services for ESA Missions to managing the implementation of GHAI and other regional programs and activities, REDSO/ESA anticipates continued support from USAID/W's centrally funded resources to carry out REDSO/ESA's new mandate.

REDSO/ESA Workforce and OE

FY 1999 OE Budget Request Narrative

1. Overview of FY 1997 Activity and Estimate:

The present estimated FY 1997 requirement for Operating Expense (OE) funding is \$5,203,100. This is a \$391,100 increase over the original estimated FY 1997 OE requirement which was \$4,812,000. This increased requirement is due to the following factors:

- A currently approved OE workforce levels of 86 which includes: 22 USDH, 1 internationally-hired USPC, and 63 locally-hired staff. The internationally-hired USPSC represents an increased OE funding requirement of \$376,000. The initial funding for this short-term USPC was provided from the USAID/Burundi FY 1996 OE allocation. It is now anticipated that this USPSC will continue to provide essential oversight of the Burundi program through FY 1998. Therefore, additional OE funding will be required in REDSO/ESA's FY 1997 OE budget. It is assumed these funds will be provided from the original USAID/Burundi OE budget since that program is terminating by March 24, 1997. Only a few priority activities will be approved by the AA/AFR for continuation and these will be managed by the REDSO/ESA USPSC.
- There has been a significant increase in FSN/PSC contract costs due to unanticipated inflation in the Kenyan shilling while at the same time a recent wage survey recommended an across the board increase in FSN salaries.
- In FY 1997 there was an unanticipated high number of emergency evacuations for USDH staff, while at the same time the COLA was increased by 5%.
- There was a significant increase in power cuts throughout Nairobi which required a substantial increase in the use of generators for the USAID complex, for the warehouse and for residences. This has meant a significant increase in fuel costs.
- Finally, beginning in FY 1997 the budgeting for the USAID Kenya complex OE costs is being done in a new manner. Through FY 1996, the entire OE cost of the provision of EXO/GSO support services for the USAID Kenya complex was budgeted for by USAID/Kenya.

A USAID Kenya Complex Management Assessment in 1995 recommended that from FY 1997 all such costs (except USDH and FSN personnel and their related costs) should be shared by the OE budget of REDSO/ESA and other entities located in the USAID office building. Under this new budgetary arrangement REDSO/ESA has been budgeting for its share of these OE costs, e.g., office rent, utilities, guard services, maintenance, supplies/materials and Non Expendable Products (NXP) procurement. Due to the RIF of FSN staff at the end of FY 1997, the Complex may be forced to obtain these required support services from an outside contractor, or other mechanism. Thus, the costs for such services may increase REDSO/ESA's share of this OE item.

NOTE: REDSO/ESA fully supports USAID/Kenya's request to maintain its full complement of EXO support staff, particularly in light of the fact that the bulk of the support services are for REDSO/ESA.

2. Overview of FY 1998 Request:

The FY 1998 estimated OE funding requirement is \$5,271,100 which is a net increase of \$68,000 over the current FY 1997 OE request level. However, this includes an unanticipated FY 1998 OE funding requirement for ICASS costs which is estimated at \$223,800. Thus, even though there are a number of OE cost decreases anticipated in FY 1998, the overall OE budget for REDSO/ESA will increase slightly. The anticipated decreases in costs include the following:

- The cost of the internationally-hired USPSC for the management of the USAID/Burundi program will have been fully funded in FY 1997;
- A reduction in the amount of mandatory travel and transportation due to a decrease in the numbers of personnel assignments in FY 1998;
- A reduction in the number of USDH Education Allowances due to a decrease in the number of school-age children; and
- A reduction in some other anticipated costs due to an increase in the efficiency of managing the overall operation of the Kenya complex.

However, these decreases are partially offset by OE cost increases due to:

- The consideration of alternative mechanisms by USAID/Kenya, REDSO/ESA and USAID/Somalia to provide support services that have been provided by the 57 FSN employees that are to be RIF'ed from USAID/Kenya staff if the Agency decides that this reduction must be implemented;

NOTE: The USAID Kenya Complex is presently investigating the cost implication of utilizing alternative means of providing these required support services. One such alternative is the ICASS. It is possible that it or one of the other alternatives may save OE funds.

- the inclusion of the cost of REDSO/ESA's contribution to ICASS;
- the provision of funding for an unanticipated general FSN salary increase; and,
- nominal inflationary increases in other local costs.

3. Overview of FY 1999 Request:

The FY 1999 estimated OE funding request is \$6,282,200 which is an increase of \$1,011,100 over the present FY 1998 request for OE funding. However, this increase is only \$37,700 over the FY 1998 estimate request level if the cost of REDSO/ESA's contribution to ICASS is excluded from the calculations.

In addition, it should be noted that if the Kenya complex utilizes an outside contractor to provide the required support services for the complex, a full year's cost for that contract, in FY 1999, would include a normal annual increase in the contract plus a 20% inflationary rise in costs. This would result in a significant increase in REDSO/ESA's OE funding request for FY 1999.

Other factors in the anticipated increased OE cost for REDSO/ESA in FY 1999 include the following:

- A 100% increase in the number of personnel transfers from those anticipated for FY 1998. This is due to the anticipated reduction in the USDH staffing which will impact on the magnitude of the entitlement travel in FY 1999;
- The provision of an annual increase of 15% in FSN salaries and an anticipated increase in the Education Allowance for USDHs; and
- An anticipated inflationary increase in such costs as: ICASS, office operations, housing, residential utilities and maintenance.

Environmental Compliance

1. Issues Related to Implementation of 22 CFR Part 216 (Reg 16) Requirements

Strategic Support Objective #1

There are no Reg 16 issues associated with the provision of technical assistance to USAID Missions in the ESA region. Through its support, REDSO/ESA contributes added value to the design, implementation and monitoring of environmental capacity building and natural resources management activities throughout the region.

Strategic Objective #2

REDSO/ESA is supporting one activity that has environmental review requirements pursuant to Reg 16. Other activities are projects of Africa Bureau, e.g. PARTS, HHRAA, D/G, EAGER, PEDS, WIDSR and TAACS.

The Center for African Family Studies (CAFS) activity was accorded a Categorical Exclusion in October 1993, because the program entails nutrition, health care or population and family planning services and does not support interventions directly affecting the environment, such as

construction or those that generate biomedical waste. This determination, based on recent discussions, remains valid and is expected to remain so for the duration of the CAFS project.

As new activities are added under SO #2, they will be reviewed for applicability of Reg 16 compliance.

Strategic Objective #3

The Horn of Africa Support Project Paper (HASP) stated that IGAD and the GHAI Coordination Unit would screen proposals and provide an environmental determination prior to moving into the next stage of review and selection of project activities. Because the HASP is now one year further into its development, an environmental screening and review process consistent with Reg 16, based on adaptation of the Africa Bureau Environmental Screening/Report Procedures (*Environmental Guidelines for Small-Scale Activities in Africa*, 1966) or other review procedures for umbrella projects that support a variety of activities, will be put in place.

The overall GHAI Strategy is currently in progress. While it is not anticipated that there will be issues related to Reg 16, during the review of the final version of the strategy, potential issues will be identified. GHAI funding has been used to support the Water Hyacinth Control Program in Lake Victoria in conjunction with USAID/Uganda for which REDSO/ESA prepared the IEE in 1996 with the requirement for an Environmental Assessment that is now in progress with support from REDSO/ESA under its SSO #1. GHAI funding has also been used to support USAID/Uganda's Northern Uganda Food Security Project for which an IEE, to which REDSO/ESA contributed, was completed in 1996; this IEE established conditions for the screening and review of activities in accordance with the *Africa Bureau Environmental Guidelines for Small-scale Activities in Africa* (1966).

Strategic Objective #4

All Title II development activities, as stated in February 1997 DAP/PAA Guidance, will be reviewed in accordance with USAID's environmental review procedures. REDSO/ESA will review its activities under SO 4 to determine compliance with these procedures and others that may be forthcoming from BHR and will assist its partners and cooperating sponsors in implementing these procedures for which supplemental information is expected in March 1997.

2. Support for Missions' Accomplishment of Reg 16 Requirements

REDSO/ESA has been instrumental in developing and implementing **Regional Environmental Assessment Training** for NGO and PVO partners, in coordination and collaboration with AFR/SD/PSGE/ENV and REDSO/ESA/WCA, has contributed significantly to the development of Africa Bureau's *Environmental Guidelines for Small-Scale Activities in Africa*, has provided pivotal support in the development of Bureau-approved procedures for screening and review of activities under umbrella programs, and supported Missions extensively in the preparation of IEEs and in follow-up training in accordance with these procedures.

This training, directed to our PVO and NGO partners in umbrella grant programs that USAID supports in various Missions throughout Africa, has the following objectives:

1) enhance capacity of NGO, PVO and other partners and collaborators to design environmentally sustainable activities, prepare environmental documentation, and incorporate mitigative measures and monitoring procedures into activity implementation per 22 CFR Part 216; 2) foster environmental capacity building/host country collaboration by utilizing in-country professionals as course facilitators to communicate information about the local environmental context, including topics such as, sensitive natural resources, the National Environmental Action Plan and/or National Conservation Strategy, and environmental impact assessment policy and legislation; and 3) permit Missions' enhanced responsibility to approve environmental reviews of grants and subgrants for increased programming flexibility in accord with the new reengineered operating systems.

In FY 1996, REDSO/ESA supported country-specific development, organization, and implementation of Environmental Assessment Training Courses, based on the REDSO/ESA/ESA-supported development of a model course, in Mozambique, Uganda and Tanzania. In FY 1997, REDSO/ESA has supported courses in Madagascar and in Ethiopia (specifically for Title II partners needing to implement the new DAP guidance). A course is also planned with USAID/Kenya in late FY 1997 or early FY 1998. Including a course in Zimbabwe in FY 1995, with follow-up training in FY 1997, 280 NGO and PVO development partners have been trained to date in environmentally sound design of activities and environmental impact assessment principles and procedures. The course and the accompanying *Environmental Review Guidelines* have become models for communicating environmentally sound design and impact assessment review to PVOs and NGOs. The courses have supported three to five Africans per course as facilitators or presenters, thus building enhanced host country capacity in environmental impact assessment and the training thereof. As a result of this success, the course has assumed a central role in the larger AFR/SD/PSGE/ENV regional environmental capacity building initiative, aimed at strengthening Mission and host country capacities to plan and implement environmentally sound assistance activities in accordance with the newly reengineered approach to activities, as a result Missions have developed environmental review systems to ensure their programs' consistency with Regulation 16.

March 14, 1997

TO: A-AA/AFR, Carol Peasley
DAA/AFR, Gary Bombardier
AFR/DP, Jim Govan

FROM: REDSO/ESA Director, Keith E. Brown

SUBJECT: REDSO/ESA Results Review and Resource Request

In accordance with the Results Review and Resource Request (R4) guidance presented in State 02636, I am pleased to submit REDSO/ESA's R4 for FY 1999 to the AFR Bureau. As requested, the 'Resource Request' section of this R4 has been formatted and assembled as a separate 'Chapter' for ease of dissemination.

REDSO/ESA's 'Results Review' is based on our Management Contract. We have taken into consideration the R4 guidance in 'the Resource Request,' particularly those points regarding earmarks, the limited availability of 'Economic Growth' funding, and staffing considerations. However, we have also focused on the Agency's R4 guidance, as well as the R4 notes provided by Jon Breslar, that the R4 be demand driven in deriving both the human and program resources requested. As stated in Jon Breslar's 'Notes on the R4 Guidance', **"First, the whole concept of the R4 is 'demand driven.' Just as AFR will issue no program planning levels, we will issue no staffing levels either. We want to know the number and kinds of staff operating units need to achieve the results under their management contracts -- SO by SO. However, so that there is no presumption that 'the sky's the limit', it would be prudent to use the FY 97 staffing levels and previously issued outyear projections as a reasonable starting point of departure."** Accordingly, the resources requested by REDSO/ESA in this R4 are reflective of what we 'really' need to achieve results under our current Management Contract, using the FY 1997 staffing levels and previously issued out year projections as a reasonable starting point of departure.

Please find below a listing of the major points we have made in this R4:

- * Given our collective desire to ensure programming of GHAI funds is field driven, REDSO/ESA recommends all GHAI resources be made a part of REDSO/ESA's Operating Year Budget, with the exception of approximately \$1 million annually for GHAI/W purposes.
- * SO #3 is the highest ranked SO. SSO #1 has been REDSO/ESA's raison d'etre in the past. But, in accordance with the REDSO/ESA strategy, that is no longer the case. However, the service function: 1) continues to be critical to REDSO/ESA's ability to service missions during this time of reduced human resources; 2) is the perfect vehicle for advocating the GHAI principles in the development of bilateral/regional mission strategies, ISPs, and results packages, as well as in result package implementation,

monitoring and evaluation; and 3) is important for contributing to setting the regional agenda for the AFR Bureau and pursuing regionalism in those instances where it is appropriate and desirable.

- * As I'm sure you've already noticed, this R4 is longer than the guidance recommended. It is longer because REDSO/ESA feels if the guidelines were strictly adhered to it would be disadvantageous to our presentation, thereby influencing the Agency's determination of 'Resource Request' allocations for REDDSO/ESA. **As stated in the REDSO/ESA Director's letter transmitting the strategy to USAID/W in April 1995: "In Section III [of the REDSO/ESA Strategic Plan] we provide the rationale for a number of relatively new, REDSO-managed regional value-added initiatives. Some of these were launched with USAID/W approval over the past two years; others are being described here for the first time. We have grouped them all together as ONE of our Strategic Objectives."** What has been grouped under that "one" SO (SO #2) would comprise at least three (3) different SOs under a bilateral mission's program. To effectively respond to the "What Makes A Good R4 and The Common Factors and Weights" R4 guidance, REDSO/ESA made the decision to disaggregate the PH, Economic Growth, and Environmental results under SO #2 to clearly delineate REDSO/ESA performance in these areas as the Bureau and Agency compares our performance against other Agency operating units. We are aware that all SSOs will be provided a neutral score of "4", and our SO #4 - **Effective Delivery of USAID's Humanitarian Assistance** will not be a part of the ranking process.
- * To more effectively address critical information needs in the 'Economic Growth' category (in-keeping with REDSO/ESA's SO #2), REDSO/ESA recommends that it be charged with full managerial responsibility (including resource allocations) for the AFR/SD National Agricultural Research Systems (ASARECA) and Agricultural Research Commodity Networks activities, beginning in FY 1997. Discussions were held with AFR/SD representatives on ASARECA in early FY 1996 on this possibility, and REDSO/ESA recommends this suggestion now be implemented. It is also REDSO/ESA's position that full managerial responsibility for the Agricultural Research Commodity Networks is a logical next step in keeping with the draft evaluation of these 'Networks', i.e., the recommendation that the support mechanisms in this area be activated as close to the "on ground" work as possible. In addition, the customers of this activity are strongly in favor of this draft evaluation recommendation.
- * REDSO/ESA recommends **Strategic Objective #4 - Effective Delivery of USAID's Humanitarian Assistance** - be converted to a Strategic Supporting Objective [Please see PART II., D. and PART III. for a full presentation on this subject].
- * REDSO/ESA continues to request in this R4 the re-delegation of BHR authorities to the REDSO/ESA Director for two small pilot activities utilizing PL 480 Title II emergency resources and OFDA International Disaster Assistance funds. This request is made to capitalize on REDSO/ESA's first-hand knowledge of the region and events in addressing unforeseen emergencies, and to permit more timely responses.

- * In accordance with the Management Contract, and our desire to fully apply the GHAI principles to the REDSO/ESA strategy, the 'Resource Request' section of the R4 is reflective of the growing synergy between and among all REDSO/ESA SOs. Accordingly, while we have ranked the SOs as per the R4 guidance, all of the REDSO/ESA SOs are integral to fully achieving the Management Contract Goals, Sub-goals, and contributing to the AFR Bureau's and Agency's Goals and SOs.
- * REDSO/ESA requests that our human resource levels be maintained at the control levels for FY 1997, and, one USDH FFP and three additional PSC positions be allotted to REDSO/ESA to manage the recommended new BHR and additional GHAI resources mentioned above, if the AFR Bureau/BHR agree to these allocations to REDSO/ESA's OYB.
- * And finally, REDSO/ESA fully supports USAID/Kenya's request to maintain its foreign service national personal services contract (FSNPSC) support staff complement. If the reductions proposed for USAID/Kenya are indeed implemented, they would seriously affect REDSO/ESA operations. REDSO/ESA currently provides approximately two-thirds of the OE resources necessary for the EXO operations. It appears to REDSO/ESA that the human resource control numbers of USAID/Kenya in this category do not take into full consideration that REDSO/ESA, USAID/Kenya, and USAID/Somalia all comprise the USAID Complex, and are not separate entities for support service purposes.

As you all know, I am fully aware of both the human and program resource constraints under which the Agency is currently operating. REDSO/ESA is suggesting in this R4 a more efficient and effective use of those resources to achieve results both under the Bureau's bilateral and regional programs, for REDSO/ESA to contribute a higher level of 'value-added' to the development equation in the ESA sub-regions, and to achieve measurable results that will contribute to the Agency's goals. This R4 involves a reallocation of resources, predominately from Washington, in accordance with the 'decentralization' thrust of the Agency, builds on opportunities for regional approaches to regional problems designed to be supportive of both bilateral/regional mission programs, and 'truly' addresses regional issues.

I trust the AFR Bureau will give the REDSO/ESA 'Resource Request' every consideration in its review, and I look forward to your reactions and response.